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THE ACT OF RAISING DONORS: AN ASSESSMENT OF FUND-RAISING  
STEWARDSHIP PRACTICES IN HEALTHCARE INSTITUTIONS

A Thesis

Submitted to the Graduate Faculty of the  
Louisiana State University and  
Agricultural and Mechanical College  
in partial fulfillment of the  
requirements of the degree of  
Master of Mass Communication

In

The Manship School of Mass Communication

by

Megan Lee Moses

B.A., Louisiana State University, 2006

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## **ABSTRACT**

The concept of stewardship within fund raising literature stems from the public relations theories of relationship management, which involve maintaining mutually beneficial relationships between an organization and its publics. With the current economic crisis, non-profit organizations see the need to focus more time and attention on maintaining and fostering relationships with existing donors, and therefore, the idea of stewardship stands an area of great interest to scholars and fund-raising practitioners alike. This study seeks to evaluate the role and formalization of stewardship in the fund-raising process, the current tactics practitioners use to practice stewardship, and better understand the limitations to the implementation of stewardship.

Using a case study approach, which includes document analysis and in-depth interviews, the researcher gives a detailed description of Mary Bird Perkins Cancer Center in Baton Rouge, Louisiana's current stewardship practices, as well as the practices of 15 other fund raisers in healthcare institutions throughout the United States, measures those practices against the theoretical standards, and constructs a stewardship program that allows MPBCC to effectively steward its donors.

The results of this study indicate the widespread practice of all four stewardship elements, but also reveal a focus on reporting. The institutions in this study show formalization of the stewardship elements reciprocity, reporting, and responsible gift; however, use a more personal and individual approach to practicing the element of relationship nurturing. Although budget may seem the most common reason for a lack of stewardship, practitioners see the limitations of staffing and time as greater limitations. These findings show the need to further research the practice of stewardship and its varying levels among organizations of different functions and size.

## CHAPTER 1: INTRODUCTION

Fund-raising practitioners in non-profit organizations today face the difficult challenge of raising money amid a volatile economic environment. In order to manage the loss of donors and private funding, many in the fund-raising field encourage practitioners to concentrate on their existing donor base, instead of using time and money to scan the environment for potential donors (Hagenbaugh, 2008). Concentrating on existing donors does not mean fund raisers should flood them with requests for contributions; but suggests fund raisers invest time in fostering organization-donor relationships, which focus on the donor as a person, not a means to an end (Hagenbaugh, 2008; Barton & Hall, 2008). “The purpose of fundraising, then,” according to Klein, “is to build relationships—or more simply put, instead of raising money, the purpose of fund raising is to raise donors” (2001, p. 13).

Even in periods of economic stability, however, it is wise to allocate time and effort to nurturing relationships with current donors. “Retained donors,” according to Burk (2003), “are increasingly cost-effective over time because they tend to give more while requiring less investment based on cost-per-dollar raised” (Burk, 2003, p. 96). It is not enough to simply focus on acquiring funds; fund-raising practitioners must also devote time to managing and fostering relationships with existing donors in order to guarantee success and donor longevity (Rosso, 1993; Hall, 2002).

Stewardship, synonymous with the term *donor relations*, describes the actions necessary to maintain and grow relationships. Stewardship works to “[establish] the means for continued communication that will help to preserve [donors’] interest and attention to the organization” (Greenfield, 1991, p. 148). In order for fund raisers to retain and cultivate existing

donors, it is important for them to recognize and practice the key elements of stewardship, which include reciprocity, responsible gift use, reporting, and relationship nurturing (Kelly, 1998).

Although the concepts and acts of fund raising date back to the colonial days of America, the ideal view of fund raising as the cultivation and maintenance of mutually beneficial relationships represents a recent development in fund-raising theory and practice (Kelly, 1991). Fund raising did not become an internal, organized, and professional function in educational systems or other charitable organizations until after WWII (Kelly, 1991). As the importance and professionalism of fund-raising steadily increased during the latter half of the 20<sup>th</sup> century, the application of theory helped to shift the normative standards of fund raising away from pure solicitation to a more symmetrical and relationship-focused function.

Many modern-day fund raisers understand the importance of stewardship; however, external as well as internal factors prohibit them from fully implementing stewardship strategies in their work. According to Burke (2003), tight budgets and restricted resources limit fund raisers' ability to pursue the appropriate stewardship activities necessary to fully serve their donors. In addition to these limitations, the Philanthropy Leadership Council (2008) report states that most of the problems concerning the implementation of stewardship "stem from a lack of codified procedures, confusion among staff over organizational standards, and ineffective (or non-existent) accountability procedures" (p. 4). Therefore, the idea of comprehensive and effective stewardship, which maintains mutually beneficial relationships between fund-raising practitioners and donors, represents a normative view of fund-raising practice, not always the reality.

The development office at Mary Bird Perkins Cancer Center (MBPCC) in Baton Rouge, Louisiana presents a prime example of a fund-raising staff that understands the benefits of



stewardship practices, but lacks the resources and information necessary to evaluate its current practices, assess the practices of other successful fund-raising organizations, and integrate those into a working stewardship plan. MBPCC's need and desire to revitalize its stewardship program spurred the current investigation, which looks at how and to what extent healthcare fund-raising practitioners as a group practice stewardship and how these practices measure up to the theoretical and normative standards of stewardship in fund raising.

In this study, the researcher, using a SWOT analysis, reveals the strengths, weaknesses, opportunities, and threats of MBPCC's stewardship practice. MBPCC implements all of the relationship elements, reciprocity, responsible gift use, reporting, and relationship nurturing, but at varying levels. Staffing, due to a decreased budget stands, as a major limitation executing the appropriate and necessary stewardship elements. According to MBPCC vice president of development, Carolyn Chassee, in times when financial resources are low, "organizations start decreasing the budget or decreasing the focus [on stewardship], because the focus is going to be more and more on raising the gift. If you are pressured to get the gift, then the cycle is shortened." Some of MBPCC's specific weaknesses which limit its implementation of stewardship include the lack of organization, stated purpose, and execution of giving levels, both annual and cumulative, as well as the lack of donor appreciation procedures, and electronic media as a means of communication. As the leading cancer treatment center in the state of Louisiana, MBPCC has the opportunity to develop and steward a large statewide donor base, as well as a younger donor base due to the center's proximity to state colleges. MBPCC also hopes to have the opportunity to expand its stewardship practices and staffing in the near future, because as the vice president of development states, "without that [staff] attention, [stewardship] doesn't receive its desired result." With the threat of the economic downturn, MBPCC and other

non-profit organizations need to assess and streamline stewardship practices and focus on what specific stewardship tactics best fit the goals and mission of the organization.

The purpose of this study, therefore, is to give a detailed description of MBPCC's current stewardship practices, as well as the practices of 15 other fund raisers in healthcare institutions, evaluate those practices against the theoretical standards, and construct a stewardship program that allows MBPCC to effectively steward its donors. This study used a case study approach, where the researcher employed document analysis, observations, and in depth interviews to gain an understanding of stewardship and its role in fundraising at MBPCC, as well as in other healthcare institutions. The researcher evaluated MBPCC's use of stewardship, looking internally to its day-to-day practices, protocol for stewardship, and stewardship documents. The researcher also interviewed the vice president of development at MBPCC to gain an understanding of her perspective on stewardship and MBPCC's practices.

Looking beyond the single case of MBPCC, this study used in-depth interviews to assess the breadth and significance of stewardship programming other fund-raising practitioners in healthcare institutions employ. "Because donors measure stewardship activities against those of the best programs they encounter," Davis (2001) states, "it is imperative that stewardship professionals stay informed about what other institutions are doing" (p. 38). Specifically, the researcher conducted interviews with 15 of the highest-ranking fund-raising practitioners in healthcare institutions, to gain a full understanding of their perception of stewardship's role in their organization, as well as the degree to which they implement stewardship practices. The 15 fund raisers consist of five practitioners of nationally top-ranked US cancer centers, five practitioners from the health institutions in the southern region, and five practitioners from local health institutions within the state of Louisiana (see Appendix D).

The SWOT analysis of MBPCC, along with the interviews of the 15 fund-raising practitioners, helped the researcher to evaluate MBPCC's practices, measure them against others in the field, and establish a strategic plan for future stewardship practices. This study not only helped to see what stewardship practices best fit MBPCC, but also established a collection of stewardship best practices, which will serve as a practical resource and guide for fund-raising in healthcare institutions. The findings of this study contribute to the existing fund-raising and stewardship literature from an organizational standpoint, presenting an accurate view how fund-raising and stewardship theories relate to current practices (Ledingham & Bruning, 1998; Kelly, 1998; Grace 2005; Burk, 2003).

## CHAPTER 2: LITERATURE REVIEW

### An Overview of Fund Raising as a Profession

#### Fund-raising Terms

##### Fund raising

Fund raising describes the “process and activities related to helping charitable organizations obtain private gifts” (Kelly, 1998, p. 6). Many who perceive fund raising as primarily solicitation attach negative connotations to the term *fund raising*. Because of this perception, some organizations prefer to use the terms *development* or *institutional advancement* to show the execution of a broader and more worthy function (Kelly, 1998). Colleges, universities, and hospitals are among those organizations that traditionally label the fund-raising arm as *development*. Educational fund-raising organizations including the Council for Advancement and Support of Education (CASE) prefer to use the term *institutional advancement*. The varied professional labels do not reflect a distinction in the function of fund raising, but only a perception in the eyes of the organization.

##### Fund raiser

Fund raisers “are those people who are paid to manage donor relationships, thereby helping charitable organizations obtain private gifts” (Kelly, 1998, p. 7). This definition focuses on the idea of fund raisers as relationship managers, who serve as communicators between an organization and its donor public. Practitioners often go by other titles, such as development officer, depending on the term the organization chooses for the function of fund raising.

##### Donors

A basic definition defines donors as “people who actively support your work through their sustained financial contributions” (Burnett, 2002, p. 4). Donors monetarily support

organizations, but they also support organizations by acting as ambassadors and help to generate new donors.

## Philanthropy

Scholars credit Payton (1988) with establishing the leading definition of philanthropy, which labels it as voluntary action for the public good: voluntary giving, voluntary service, and voluntary association. Philanthropy involves efforts “‘to do good’: (a) compassion, most closely associated with the giving of charity, and (b) community, our concern with civic importance and social change” (Kelly, 1998, p.14). Similar to the confusion between the use of the terms fund raising and development, people remain uncertain about the difference in the meanings and uses of the terms *charity* and *philanthropy*. Scholars define charity as an act of compassion and a response to the poor, whereas philanthropy focuses on a broader range of community issues (Kelly, 1998). According to Bremner (1960/1988), “the aim of philanthropy in its broadest sense is improvement in the quality of human life” (p. 3). Fund raisers purpose within the philanthropic world then, is to build relationships between philanthropic organizations and the donors, individuals, foundations, and corporations, which support, monetarily and idealistically, the goals and success of the organization (Kelly, 1998; Lewis, 1996).

## Stewardship

The practice of stewardship is the main focus of this study, and therefore the meaning of stewardship requires attention. Although fund raisers often use the term *donor relations* synonymously with *stewardship*, both terms focus on the importance of building and maintaining relationships with donor-publics. According to Tempel (2003), “Stewardship is the careful and responsible management of something entrusted to one’s care by others, the ‘soul of stewardship’ is found in the way this management for others is exercised” (p. 432). The idea of

stewardship stems from both religious and secular meanings (Kelly, 1998). In Christianity, stewardship means, “using monetary and non-monetary resources for God’s greater good” (Kelly, 1998, p. 434). The secular meaning of stewardship states that organizations should “serve as good stewards of the gift resources granted to them by donors” (Kelly, 1998, p. 434). To fund raisers, stewardship involves more than just using the donor’s gifts wisely and responsibly, but also being aware of how an organization’s behavior affects the relationship with donors (Kelly, 1998). “Well-managed stewardship practices provide opportunities for donors to deepen their interests and values” (Grace, 2006, p. 143). The act of stewardship, therefore, is “the critical function by which organizations develop lasting relationships with their donor-investors” (Grace, 2005, p. 142). Kelly (1998) segments the act of stewardship into four elements, reciprocity, responsible gift use, reporting to donors, and relationship nurturing. Although many organizations may share the same general understanding of stewardship, how and the extent to which an organization practices stewardship and implements the four stewardship elements may vary depending on the organization’s operational definition of stewardship within its culture, and its available resources.

### Non-profit Organizations

Non-profit organizations work to benefit humanity and unlike for-profit organizations, the monetary gifts of donors go to serve the organization, as well as to benefit society. A non-profit organization is an entity “formed for the purpose of serving a purpose of public or mutual benefit other than the pursuit or accumulation of profits” (The Nonprofit Resource Center, 2009). The United States government grants non-profit organizations tax-exemption and the tax-deductibility of gifts, due to the fact that philanthropic gifts “generate goods that benefit more than just the purchasers” (Kelly, 1998, p.8; Steinberg, 1993). Tying in the concepts of non-profit

organizations, philanthropy, and the purpose of fund raisers, Preston (2005) supports the views of other scholars and claims, “non profit leaders should view themselves as stewards of the resources a community entrusts to their organization” (p. 48).

### Professional Fund-raising Associations

#### Association of Fund-Raising Professionals

Salamon (2002) shows evidence of fund-raising’s growth over the past twenty years in the enlarged membership of the Association of Fund-Raising Professionals (AFP). The AFP, which began in 1960, grew from 1,899 members in 1979 to 20,000 members in 1999 (Salamon, 2002). The AFP currently services 30,000 members and stands as one of the primary fund-raising associations. “The association fosters development and growth of fundraising professionals and promotes high ethical standards in the fundraising profession” (Association of Fund Raising Professionals, 2009).

#### Council for Advancement and Support of Education

Another fund-raising association of note is the Council for Advancement and Support of Education (CASE). CASE began in 1974, when the American Alumni Council and the American College of Public Relations Association merged. CASE serves over 61,500 professionals who work in a range of fields including alumni relations, communications, development, marketing, and allied areas (Council for Advancement and Support of Education, 2009).

The existence of other issue specific fund-raising associations exhibits the expansion and specialization of the profession within different organizations in the non-profit sector. Pertaining to this research, the Association of Healthcare Philanthropy (AHP) and the Association of Donor Relations Professionals (ADRP) show evidence of organizations that cater to the specific

interests of fund raisers. These organizations, AHP and ADRP, provide fund-raising professionals with a source for information, as well as an established base of colleagues. Association for Healthcare Philanthropy

The AHP, created in 1967, consists of 5,000 members, representing more than 2,200 healthcare facilities in the United States and Canada (Association of Healthcare Philanthropy, 2009). While the membership of this group remains less than the prominent fund-raising organizations, AFP and CASE, it does present a sizeable group of fund-raising professionals who seek information specific to fund raising in healthcare institutions. The AHP Web site provides information about a range of topics, but only a few articles directly related to stewardship. This further exemplifies the need to fill this void of fund-raising literature.

#### Association of Donor Relations Professionals

The ADRP is a recently established organization, created in 2003. The ADRP's mission is to "[support] the development community by promoting the professional status of donor relations and stewardship offices through educational, professional development and networking opportunities" (Association of Donor Relations Professionals, 2009). The development of this organization shows the growing need for a focus on donor relations and stewardship practices, as well as the establishment of stewardship as a specialized area of fund-raising. On the ADRP Web site, the organization lists weaknesses, which include, no programming in the Western U.S. and Canada, little perceived value in the Web site as a "destination," and a lack of diversity of membership across organization types (Association of Donor Relations Professionals, 2009). This shows the developing aspect of this professional association, and of the role of stewardship and donor relations as a whole.



## Donor Bill of Rights

Another sign of fund raising's growth as a profession is the existence of a code of ethics, called the *Donor Bill of Rights* (see Appendix A). The fund-raising associations mentioned, AHP, CASE, AFP, and ADRP, among others, all agree upon and recognize this Donor Bill of Rights. The Donor Bill of Rights considers philanthropy a voluntary act, which serves the common good, establishes a tradition of giving, merits trust and respect, and serves as a declaration acknowledging the rights of all donors (Association of Fund-Raising Professionals, 2009).

## **Mary Bird Perkins Cancer Center**

### Organization

### History

Mary Bird Perkins Cancer Center (MPBCC) opened in 1971 in Baton Rouge, Louisiana, making it the first radiation treatment center in Louisiana. Paul D. Perkins, philanthropist and major donor to the Cancer Radiation Research Foundation, donated the cornerstone gift to establish MBPCC, named after his deceased daughter, Mary Bird. The center continues to grow nearly 38 years after MBPCC's opening and stands as the main radiation treatment center for the state of Louisiana (Mary Bird Perkins Cancer Center, 2009). "The mission of Mary Bird Perkins Cancer Center is to improve survivorship and lessen the burden of cancer through expert treatment, compassionate care, early detection, research, and education" (Mary Bird Perkins Cancer Center, 2009).

MBPCC serves 18 parishes throughout Louisiana, with locations in Baton Rouge, Covington, Gonzales, Hammond, and Houma (Mary Bird Perkins Cancer Center, 2009). The goal is to provide patients with "world-class treatment right in their own backyard" (Mary Bird Perkins Cancer Center, 2009). MBPCC continues to excel due to the acquisition of new

technologies and locations. In 2008, MBPCC treated more than 2,000 cancer patients, including those unable to pay for any portion of the costs associated with their care. MBPCC also provides community outreach and free cancer screenings to citizens. In order to continue to serve Louisiana citizens in this way, MBPCC relies on help from the development staff.

### Fund Raising

As a nonprofit organization, MBPCC depends on the philanthropic gestures of individuals in the community to sustain its services. Providing unparalleled cancer treatment to the Baton Rouge area and beyond, MBPCC needs the support of those who understand and value its presence and service within the community. Individuals, corporations, and foundations contribute to MBPCC's success. Donations to the Center fund those patients who cannot afford treatment, as well as the work of the CARE Network. The CARE Network, created in 2002, "provides cancer support services, awareness and education programs, research, and early detection through screenings" (Mary Bird Perkins Cancer Center, 2009).

### Development Services

The development staff currently consists of eight members: the vice president of development, senior development officer, three development officers, director of grants, director of development services, and development services specialist. MBPCC plans to hire an additional employee for the position of development services manager this spring. The development department conducts several different types of giving programs, which include annual giving, tribute giving, planned giving, endowment, and fund-raising and community events. Annual giving is a program that generates funds on a yearly basis. Tribute giving involves making gifts in the memory of loved ones. Planned giving refers to making a bequest in a will, an insurance policy, a trust, or other form of planned gift. Endowment gifts include direct

gifts of cash, stock, real estate, retirement assets or other property, which help to establish a lasting donation that helps to secure funds for MBPCC's cancer services and support.

### **Public Relations Theory as a Cornerstone for Fund Raising**

Since fund raising grew from practice, not academia, over time scholars began to recognize fund raising's similarities to public relations and thus, created a theoretical home for fund-raising as a element and function of public relations practice. As recent as 1988, The Body of Knowledge Task Force of the Public Relations Society of America Research Committee (PRSA) added *donors* as the seventh public and *fund-raising* as the seventh element and function of public relations, in addition to media, employee, community, government, consumer, and investor relations (Kelly, 1998). The amount of literature specific to fund raising increases as theories of public relations become tested theories of fund raising.

Research concerning the importance of cultivating and maintaining relationships represents an important part of public relations literature as well as more recent fund-raising literature (Waters, 2008). The models scholars use to identify relationships in public relations stand as a guide to evaluating relationships in other fields as well. Scholars in the fund-raising field increasingly adopt the theories of public relations in order to understand the types of relationships employed in fund-raising, as well as the practice of stewardship between organizations and donors. Kelly (1998) illustrates the need for relationship management when she defines fund raising as "a management function that identifies, builds, and maintains relationships between charitable organizations and donors for the purpose of exchanging resources to attain philanthropic goals that benefit others as well as those involved in the exchange" (p. 8). The process of fund raising is continuous, where practitioners, in order to

successfully carry out their goals, must maintain and nurture relationships over time (Kelly, 2001).

### Relationship Management Theory

Ferguson (1984) stands as the initial scholar who recognized the role of relationships in public relations. She claimed that the relationship, instead of the organization, the public, or the communication, should be the core of public relations practice and research. Beyond Ferguson's first step toward relationship management, others began to recognize public relations as more than simply the dissemination of information to a public, but as building and maintaining a relationship with that public (Ledingham, 2003; Ledingham & Bruning, 1998; Broom, Casey, & Ritchey, 1997). Ledingham (2001) outlined the main developments in public relations theory, which he believed led to the emergence of the relationship perspective: the "recognition of the central role of relationships in public relations," of which he credited Ferguson, "reconceptualizing public relations as a management function," the "identification of components and types of organization-public relationships, their linkage to public attitudes, perceptions, knowledge and behavior, and relationship measurement strategies," and the "construction of organization-public relationship models that accommodate relationship antecedents, process, and consequences" (p. 286). Each of these steps presents significant milestones in the establishment of relationships as the primary focus of public relations theory and practice.

### Organization-Public Relationship

The focus on the need for mutually beneficial relationships between organizations and publics changed the way researchers and public relations practitioners thought about communications and the elements needed to maintain effective communication with a public.

Ledingham and Bruning (2000) proposed that:

The emergence of relationship management...calls into question the essence of public relations—what it is and what it does or should do, its function and value within the organizational structure and the greater society, and the benefits generated not only for sponsoring organizations but also for the publics those organizations serve and the societies in which they exist (p. xiii).

Broom, Casey, and Ritchey's (1997) discussion of the need to define the organization-public relationship (OPR) led the way to further examination of this term and its implications.

Ledingham and Bruning (1998) claimed an OPR "is the state which exists between an organization and its key publics, in which the actions of either can impact the economic, social, cultural, or political well-being of the other" (p. 62). Building on this definition of the OPR, Ledingham (2003) helped to further establish relationship management as a general theory of public relations and more specifically defined it as "effectively managing organization-public relationships around common interests and shared goals, over time [which] results in mutual understanding and benefit for interacting organizations and publics" (p.190). The culmination of public relations literature over the past 25 years places relationship management securely at the core of public relations practices.

#### Organization-Donor Relationship

In fund raising, the actions of the donor public, such as showing support through donations or declining to make a donation, impact non-profit entities. The relationship is symbiotic, and it remains the job of the fundraiser to understand the importance of managing relationships in order to increase donor giving.

Waters (2009a) evaluated how the theory of relationship management and the organization-public relationship related to the non-profit organization-donor relationship. Waters (2009a) used the coorientation methodology to evaluate the relationship from the perspective of the donors of a non-profit hospital and the non-profit hospital's fund-raising practitioners. He mailed surveys and follow-up postcards to a random sample of the hospital's donors and to the hospital's fund-raising team. Waters (2009a) results showed that both sides viewed the relationship positively, and the donors expressed high levels of trust, satisfaction, and commitment with the organizations. This study shows the application of public relations theories to fund raising and reiterates the importance of understanding your publics, highlighting the need for an established and nurtured organization-donor relationship. This view of fund raising mirrors the literature concerning relationship management, stewardship, and excellence in public relations.

### Models of Public Relations

Grunig and Hunt's (1984) four models of public relations provide a way to evaluate the type of relationship and the direction of communication between an organization and its publics (Grunig & Grunig, 1992; Grunig & Hunt, 1984). The models include press agency or publicity model, public information model, the two-way asymmetrical model, and the two-way symmetrical model. Grunig derived these models from years of work on the situational and organizational theories of publics, which helped to show the flaws of a one-way communication system and illuminate the need for a two-way symmetrical flow of information (Grunig, 2006). According to Grunig (2006):

If [public relations] develops good relationships with strategic publics, an organization is more likely to develop goals desired by both the organization and its publics and is more

likely to achieve those goals because it shares those goals and collaborates with publics.

(p. 159)

The press agency model and the public information model both employ one-way communication from the organization to the public. The press agency model focuses on simply promoting the organization without taking into account the public and their needs. Solicitation is a primary concept of the press agency model. The main goal of the public information model is to provide the public with information that will increase their motivation to make a decision. The press agency and the public information models focus primarily on communication for the benefit of the organization, not the public (Grunig, 2006).

The two-way asymmetrical model and the two-way symmetrical model allow for two-way communication between an organization and the public. In the asymmetrical model communication only exists for the benefit of the organization. The two-way asymmetrical model promotes the idea of researching the public's needs and opinions in order to discover which message the organization should use in order to receive the desired results. Practitioners using the two-way symmetrical model create mutually beneficial relationships between an organization and its publics. In the two-way symmetrical model, research on the public's needs and opinions helps the organization to better serve the public, and at the same time allows the organization to benefit from the public (Grunig, 2006).

Previous studies show that the two-way symmetrical model stands as the most ideal model because it promotes mutually beneficial relationships (Grunig, 2006). "When symmetrical communication practices prevail, communication and public relations make valuable contributions to society as a whole" (Dozier, Grunig, & Grunig, 1995, p. 13).

## Models of Fund Raising

In order to assess the types of communication used in fund raising, Kelly (1991) adopted Grunig's (1984) four models of public relations. Kelly retained each model's original name and meaning as explicated by Grunig. Similar to Grunig's (2006) findings in public relations, the two-way symmetrical model stands as the most ideal model in fund raising. "Symmetrical presuppositions about fund raising are desirable, and charitable organizations should adopt the two-way symmetric model of fund raising to effectively manage external interdependencies with foundation, corporate, and individual donors" (Kelly, 1991, p. 500).

## Asymmetrical and Symmetrical Fund-raising Presuppositions

Based on Grunig's (1992) public relations presuppositions, Kelly (1991) identifies assumptions about the nature of fund raising and categorizes them by asymmetrical presuppositions and symmetrical presuppositions. According to Kelly (1998), "analysis of the literature suggests that the practice of fund raising largely has been built on asymmetrical presuppositions," which assume fund raising "involves manipulating donors for their own good, as well as for the financial benefit of a good cause" (p.9). Symmetrical presuppositions, on the other hand, assume fund raising "is the means by which charitable organizations and donor publics interact in a pluralistic system to fulfill their interdependence for their benefit, as well as a society's" (Kelly, 1998, p. 9). This symmetrical presupposition is the ethical and supported concept behind fund raising. More explicitly, "the purpose of fund raising is not to raise money, but to help charitable organizations manage their interdependencies with donor publics who share mutual goals and objectives" (Kelly, 1998, p. 9).

The two-way symmetrical model of fund raising involves more than simply manipulation and solicitation as once traditionally associated with the practice (Kelly, 1998). Fund raisers



serve both the cause for which they work and the donors who help to support the cause. Therefore, “fund raising is not about money. It’s about meeting needs and bringing about change” (Burnett, 1992, p. 39). Burnett (1992) describes fund raising as people development over fund development. The establishment of fund raising as a profession and the subsequent creation of ethical standards and professional associations help to further establish a groundwork for fund raising, which encompasses the building of relationships, as opposed to strictly solicitation.

### **The Fund-raising Process**

#### **ROPES**

In order to operationalize the two-way symmetrical model of fund raising, Kelly (1998) uses an adapted version of Hendrix’s (1998) process of public relations, ROPE (Research, Objectives, Programming, and Evaluation). Kelly (1998) adds a fifth step to this process, stewardship, which explicates the need to maintain the relationships created through this process. The steps provide a normative and also a descriptive guide for fund raising, assessing all of the parts necessary to a successful fund-raising campaign.

#### **Research**

The first step focuses on research, and according to Kelly (1998), “provides knowledge, formulates strategy, inspires confidence, and ensures that practitioners achieve desired results” (pp. 402-403). Research must consist of an investigative look at the organization, the opportunities, and the publics. Research on the organization includes an assessment of its programs, successes, failures, and staff. The results of an organizational research yield suggestions of possible opportunities for the organization. Research on the opportunity needs to include two-way communication and take into account the opinions and perceptions of the

organizations' donors. Finally, research on the organization's publics, or otherwise known as prospect research, aims to better understand the donor base and provide information, which helps to build and maintain relationships (Kelly, 1998). These three steps of research lay the ground work for setting accurate objectives.

## Objectives

The second step in ROPES, objectives, focuses on the need to establish "specific statements that express results as measureable outcomes" (Kelly, 1998, p. 412). It is the specificity of objectives that distinguishes objectives from goals. Goals constitute broader statements about desired results, which practitioners cannot quantify. Broom and Dozier (1990) claim that objectives give direction to the programming, guidance to the fund-raising staff, and the criteria by which to measure the results. Kelly (1998) describes two types of objectives, output and impact. Output objectives describe the work fund raisers intend to produce, for example, plans to update the database or create a committee. "The importance of output objectives is dependent on the degree to which the output contributes to the desired impact" (Kelly, 1998, p. 414). Impact objectives show the expected effects of specific programming. Practitioners use the effects of fund raising, awareness, accuracy, understanding, agreement, behavior, and repeat behavior, to create impact objectives. Members of the dominant coalition of an organization must approve both sets of objectives before moving on to the next step. Approval by all leaders and practitioners involved is important because the evaluation of the program will be measured according to the objectives set by the management team.

## Programming

The third step in ROPES is programming, which consists of two parts, planning and implementing. The plan helps to clarify ways to achieve the objectives. The primary programs

within the plan need to be divided, then objectives organized according to those divisions. Planning involves creating timelines, activities, and tasks that outline how to achieve each objective. Again, the dominant coalition needs to approve the plans and make certain the planning falls in accordance with the set objectives. “Once the plan is approved, it becomes a blueprint for the department’s day-to-day work” (Kelly, 1998).

The techniques used to implement communication with donors and the financial budget, money to be allocated for the programming, both remain important to the planning stage. Fund-raising techniques show communication at three levels, interpersonal, controlled media communication, and mass media communication. Interpersonal includes face-to-face conversations, small groups, or personalized letters (Kelly, 1998). Controlled media includes direct mail, special events, publications, or paid advertisements, billboards, and signage. Mass media includes editorials, news releases, or PSAs. Deciding which communication technique to employ depends on the giving level of the donor or the amount of media needed. “The cost of techniques per exposure decreases as communication moves down from interpersonal to mass media” (Kelly, 1998, p. 419).

Implementation, the second part of programming, focuses on cultivation and solicitation of donors. “Cultivation is managed communication by which fund raisers continually seek to inform prospective donors about and involve them in a charitable organization’s work” (Kelly, 1998, p. 421). Cultivation correlates with the goal of stewardship, increasing the involvement of donors and creating a relationship. According to Kelly (1998), members of the dominant coalition and organization leaders must understand the importance of cultivating donors and also need to be involved in cultivation activities, which include special events or published materials. Solicitation, the second part to implementation, is when fund raisers ask donors to give. It is the

idea that unless you ask, you will not receive. Most of the asking takes place via direct mail, lower level gifts, personalized letters or personalized proposals, to major donors or corporations (Kelly, 1998). Fund raisers solicit those people they know to be connected to the organization or who the fund raisers see to be a good fit with the organization. “When fund raisers represent an organization that is worthy of support, as demonstrated to them by the actions of those who control and carry out the work of the organization, solicitation is a prideful and exhilarating experience” (Kelly, 1998, p. 427).

## Evaluation

The fourth step in ROPES is evaluation. Contrary to popular belief, organizations should not measure fund-raising success solely on the amount of money the organization raises. Kelly (1998) gives three reasons why this approach is faulty: “a) it ignores gift utility, or what the money was raised for; b) it does not account for delay factors in raising major gifts; and c) it measures only impact objectives dealing with donor behavior” (p. 428). Kelly (1991) suggests three levels to measure effectiveness of fund raising. First, and most importantly, she suggests measuring effectiveness by the impact of fund raising on the organization’s stakeholders. According to Kelly (1998), “fund raising contributes to organizational effectiveness when it helps the organization adapt to its environment (i.e. fund raising is perceived as useful by stakeholders and helps fulfill their expectations of the organization)” (p. 430). Secondly, fund raisers need to evaluate their effectiveness by assessing the impact on the donors and how well they met the donors’ expectations. Third, fund raisers need to evaluate the impact on the organization. How well did the donations help the organization to achieve its overall mission and goals?

Evaluation by objectives involves process evaluation and program evaluations. Process evaluation suggests that managers need to periodically evaluate the progress of reaching the set objectives. Waiting until the end of the year to see if the fund-raising staff meets the objectives will leave no room to improve. Fund raisers need to evaluate progress along the way in order to reach their intended goals (Kelly, 1998). Program evaluation involves looking at the results after the programming ends. This may require a survey of donors or simply engaging in two-way communication with donors to see if the organization truly achieved the desired results (Kelly, 1998).

### Stewardship

According to Kelly (2001), “the stewardship step in ROPES, ensures that the public relations process is continuous; it does not stop then later start with entirely different and unknown publics” (p. 281). This focus on a continual process of public relations correlates with the concept of relationship management and the symmetrical model of fund raising. The relationships created through fund raising should not end. Practitioners need to maintain and constantly nurture these relationships in order to bring about the greatest mutual benefit for the organization and its publics.

### Stewardship Overview

Stewardship, according to Kelly (1998) involves four progressive elements: reciprocity, responsible gift use, reporting, and relationship nurturing.

#### Reciprocity

Reciprocity, essentially, is showing gratitude for gifts (Kelly, 1998). According to Kelly (1998), “charitable organizations are not only obligated to reciprocate, but they must reciprocate if the philanthropic exchange is to remain in balance” (p. 435). The act of reciprocity fosters

mutual respect and strengthens the relationship between an organization and its donors (Kelly, 1998). Kelly (1998) breaks reciprocity down into appreciation and recognition.

### Appreciation

Appreciation involves simply thanking donors for their gifts. In order to ensure that each donor gets thanked, organizations need to establish an acknowledgement plan, which segments giving levels and notes the forms of appreciation for each level. “ For example, gifts of less than \$100 might be acknowledged with a printed thank-you card, whereas donors who give \$1,000 or more would receive two personal letters, one from the CEO and one from the volunteer chairperson” (Kelly, 1998, p. 435). Fund raisers also make phone calls to show appreciation to individual donors (Burk, 2003).

### Recognition

Recognition comes in many forms; some of the most effective ways nonprofits recognize their donors include thank you letters, publishing names in newsletters and donor reports, recognition events, and gift clubs or honor rolls (Burk, 2003). According to Kelly (1998), “the benefits returned to the donor must be appropriate, particularly in relation to the size of the gift” (p. 436). Also, the form of gratitude needs to be meaningful and appropriate for the donor being recognized. Non-profit donors in Burk’s (2003) study often viewed recognition gifts as excessive and expensive; so it is important for the organization to keep in mind the goals of the organizations and devise an inexpensive and meaningful recognition procedure that is unique to the organization.

According to Burk (2003), organizations need to realize the difference in the desire for recognition between individual and corporate donors. Burk’s (2003) study found that corporate donors appreciate receiving plaques and certificates and 72% display the plaques or certificates,

mostly in high traffic areas (p. 118). Corporate donors want visible recognition to encourage staff to support nonprofit causes and to show customers that they invest in the community (Burk, 2003, p. 116). Burk (2003) claims 76% of the individual donors surveyed received certificates or plaques, but only 5% of those donors display them (p. 118).

Recognition events need to focus on “the charity’s expression of genuine appreciation to those in attendance, communication of the charity’s message about gifts at work, and an opportunity for guests to network or socialize” (Burk, 2003, p. 121). While recognizing specific donors is acceptable at events, one fund raiser noted, “the best events are those in which all donors feel equally welcome and appreciated, regardless of the amount of the gift” (Burk, 2003, p. 121).

Many organizations segment donors based on their giving level and use these levels to determine the type of recognition to give each group of donors. Giving levels with defined gift values serve as dual-purpose recognition, according to Burk (2003), “gift levels often determine the size and location of a donor’s name when published...they also sometimes carry with them certain benefits such as receiving the newsletter for free or getting an invitation to an annual lecture” (p. 126). Fund raisers need to choose benefits for each giving level based upon the benefit’s effectiveness in terms of fostering donor support and engaging them further in the organization’s mission (Fisher, 1995). Benefits include recognition events, or printed materials sent to certain donors. At recognition events, the fund raiser should work to communicate the results of the donor’s gift at work and the appreciation of the gift (Burk, 2003).

Similar to giving levels, gift clubs or giving clubs, represent another way to recognize donors and further foster organization-donor relationships. The clubs establish and recognize higher levels of giving, which motivate donors to increase the size of their gifts (Philanthropy

Leadership Council, 2008; Ruda, 1999a). Giving clubs also work to enhance the social experience of giving, establishing strong social ties among donors (Philanthropy Leadership Council, 2008). Donor giving clubs with active committees also act as a source of information, a permanent focus group giving recommendations and feedback, for the organization (Philanthropy Leadership Council, 2008). The practice of segmenting donors into giving clubs works best for organizations with a current strong major-donor stewardship program in place, as well as those organizations that can devote staff time to organizing and maintaining these groups (Philanthropy Leadership Council, 2008).

Organizations need to decide whether to base the giving levels and clubs on yearly giving or cumulative giving. Also, organizations need to consider whether to create giving groups based on capital, deferred, or annual gifts (Ruda, 1999b). According to Borenstein (1992), a recognition program needs to be continuous and ongoing. Kelly (1998) suggests establishing a formal policy to provide guidelines for the forms recognition an organization offers, in order to be consistent with these recognition procedures.

### Responsible Gift Use

Responsible gift use is the second element of stewardship, and refers to the need for organizations to use the “gifts for the purposes for which they were given” (Kelly, 1998). The first and fourth statements in the Donor Bill of Rights (see Appendix A) shows evidence of the standard of responsible gift use and the donor’s right to knowledge about the way the organization intends to use the donated resources. Organizations may practice responsible gift use by requiring donors to sign a gift agreement document, which “details the purpose of the gift, restrictions on its use, how the gift will be spent or invested, and any commitments made by the institution to steward the gift” (Philanthropy Leadership Council, 2008, p. 212). The fund-raising



department also bears the responsibility of periodically checking to make sure the organization abides by the standards set out in the gift agreement (Philanthropy Leadership Council, 2008).

### Reporting

Reporting, the third element of stewardship follows responsible gift use logically. A gift should be used correctly, and the organization should report to the donor on the gift's use and its positive impact on the organization. Both elements, responsible gift use and reporting, focus on accountability (Kelly, 1998). According to Burk (2003), it is essential for the organization to communicate "meaningful information about the not for profit, its work and its progress, the most important information being measurable results achieved through donors' contributions" (p. 98).

Some of the ways organizations report to their donors include personalized major-donor impact reports, generalized service-line impact reports, annual reports, and project milestones. Major-donor impact reports focus on specific major gifts and report to the individual donor the outcome associated with the gift's use. Service-line impact reports give a synopsis of the organizations major accomplishments, which resulted from collective giving. Organizations can distribute this report to a large number of donors (Philanthropy Leadership Council, 2008). Many non-profit organizations provide donors with a copy of their annual report to show evidence of an organization's overall financial report and how the organization uses gifts. Project milestones help to update major donors on an organization's major project, such as the erection of a new building or establishment of a new program or service, to which they contributed (Philanthropy Leadership Council, 2008). According to Burk (2003), "communicating results is the most important thing a fundraiser can do to ensure ongoing donor loyalty" (p. 97). The IRS also requires that nonprofit organizations send donors who give \$250 or more a prompt and

appropriate acknowledgement and receipt of the gift. Organizations need to make a habit of sending acknowledgements and receipts to all donors (Kelly, 1998, p. 263).

### Relationship Nurturing

Relationship nurturing is the fourth element of stewardship and focuses on the ideas of relationship management. According to Kelly (1998), “the most effective means of nurturing relationships is quite simple: Accept the importance of previous donors and keep them at the forefront of the organization’s consciousness” (p. 441). Relationship nurturing is a constant process that continues even during times when donors do not make donations. It is relationship maintenance. Kelly (1991) states, “the point is that the organization should be in contact with donors of both annual and major gifts at times other than solicitations” (p.441). Although donors may decline the request for money during certain periods, the organization must maintain an open and committed relationship, in order to successfully receive future donations.

Some communication tactics nonprofits use to stay in touch with their donors include newsletters, phone calls, email, Web sites, and personal visits with donors. Burnett (2002) states, “from an organization’s point of view a quality newsletter repays its investment as it serves as an effective, low-cost way of involving people in your organization’s mission” (p. 195). To interest donors, newsletters need to include information relevant to the donors and report on the progress of the organization. Phone calls help to nurture relationships with donors on an individual level. “The phone,” according to Burnett (2002), “is a useful way of thanking important donors or personally communicating some important news or information” (p. 206). Email and Web sites offer an easy way to create a two-way symmetrical flow of information. Donors use email and organization Web sites to contact the organization or frequently to look at organization updates. Personal visits with donors helps to nurture relationships on a more individual and intimate level.

Taking the time to visit one-on-one with donors helps the organization to better understand the donor's interests and also helps the donor to better understand the organization (Burnett, 2002, p. 211). Other interactive relationship nurturing practices include inviting donors to tour an organization or to attend special events, which relate to the donors interest and area of giving (Philanthropy Leadership Council, 2008). For healthcare institutions, these interactive stewardship practices may include personal meetings with physicians or patients. The goal of this personal interaction is to give donors a "firsthand account of the personal, physical, and emotional impact of their gifts" (Philanthropy Leadership Council, 2008).

Philanthropic giving is an emotional and physical commitment to an organization and a cause. Stewardship functions to aid this commitment and nourish the relationship with the donor, learning the donor's reasons for giving and what will make them likely to give again (Grace, 2005). It is essential for fund raisers to recognize the importance of the organization-donor relationship and work to foster the relationships through stewardship practices.

### Donor-centered Fund Raising

Based on ideas of relationship management and stewardship, Burk (2003) coined the term *donor-centered fund raising*. According to Burk, "donor-centered fund raising is an approach to raising money and interacting with donors that acknowledges what donors really need and puts those needs first" (p. 22). Adhering to this concept helps fund raisers to achieve success in the following ways: "it retains donors longer, giving them time to develop their own philanthropic resiliency; second, it causes more donors to offer increasingly generous gifts; and third, it raises the performance of even the most active and loyal donors to a new standard" (Burk, 2003, p. 22).

Burk (2003) also discusses which donors deserve donor-centered fund raising. According to Burk (2003), organizations often focus their recognition and communication efforts on those donors making the largest gifts; however, organizations need to also focus on donors' "whose loyalty is not yet secure, the ones whose current affiliation with your not for profit may still be tenuous" (p. 111). Communication with donors is necessary at every gift level. Communication serves as reinforcement for new donors, a reason for giving at a higher level for renewing donors, and an expected part of the relationship for high-end donors (Burk, 2003, p. 111).

#### Donor-centered Stewardship Studies

Recent studies focus on the idea of donor-centered fund raising and seek to evaluate organizations' stewardship and fund-raising practices from the perspective of the donor. Burk (2003) conducted a national study of donor relations and recognition practices and evaluated donor needs in regard to their relationships with philanthropic organizations. Her findings showed that donors want prompt acknowledgement of their gift, confirmation that the organization used the gifts in the way the donor requested, and results of their gifts at work. These findings echoed Kelly's stewardship elements of reciprocity, reporting, and responsible use.

Keller (2008) studied donors' experiences with stewardship by surveying University of Toledo donors. Keller looked at the donors' overall experiences with stewardship at the University, the relationships between the donors' demographics and their perceptions of stewardship, and what the donors' believe influenced their giving. This study's findings show that over 50% of the participants recorded being mostly satisfied or very satisfied with their experience of stewardship. The majority of respondents noted, however, that of the 19 listed stewardship events, they only attended an average of 5 events, and of those who attended event,

their highest level of satisfaction was with athletic events. The relationship between demographic and perceptions of stewardship showed that the donors most likely to attend stewardship events donors belonged to more than one club affiliation at the University. More new donors, opposed to donors of 10 years or more, noted they would attend to the progress of University programs they supported and interact with scholarship recipients. This shows the importance of stewarding new eager donors (Burk, 2003).

More of the donors at the \$100,000 giving level stated they would attend stewardship events, than those donors under the \$5,000 giving level. Also, donors at the cumulative giving level of \$25,000 considered club benefits more meaningful than those donors whose cumulative giving level fell below \$5,000. This shows that organizations focus more on stewarding major level donors and creating benefits that recognize them at that higher level.

When asked what influenced their giving, over 50% of the donors claimed that they based their motivation for giving upon “the value of the UT program they supported, a feeling of responsibility for giving back to the community, a desire to make a positive impact on society, and sharing with those less fortunate than themselves” (Keller, 2008, p. 96). Personal letters of thanks stood as the only communication tactic donors believed influenced their giving. This gives merit to Kelly (1998) and Burk (2003) conclusion that donors need and respond to personal and prompt acknowledgement of gifts.

Similar to Keller’s (2008) study, Andrew et al. (2008) also used concept donor-centered fund raising to assess stewardship practices. Andrew et al. choose to evaluate how donors of the Boys & Girls Club of the Peninsula (BGCP), specifically major donors at annual giving at the levels between \$25,000 - \$50,000, viewed stewardship. This study specifically looked at what factors led donors to give to the BGCP, and what the donors thought the Club could do to nurture

relationships with donors. In Andrew et al.'s research, they recognized the need for the BGCP to cultivate and foster relationships with new donors. The authors suggest opening board memberships up to younger donors, or those at lower giving levels. New philanthropists desire involvement in organizations and want organizations to use their suggestions in addition to their donations (Grace & Wendroff, 2000). Also, Andrew et al. suggest engaging current board members in the acquisition of new members, in order to cultivate new organization-donor relationships.

The donors interviewed noted BGCP's lack of personalized stewardship events and failure to relate stewardship events to the overall mission of the organization. These results further explicate what donors' want out of the organization-donor relationship and what fund raisers need to do to retain their membership.

Waters (2009b) surveyed a hospital's donor base in order to answer the question: "which stewardship strategies are most influential in influencing donors' evaluation of their relationship with the nonprofit organization?" (p. 115). To organize the survey data, Waters (2009b) created an original stewardship scale, based on Kelly's (1998) four stewardship elements. Table 1 presents the scale and the outlined questions for each element. Waters (2009b) listed the Chronbach alpha values for the scale to prove its reliability.

When surveying the donors, Waters (2009b) used different color paper to distinguish the surveys from the annual giving donors, who gave between \$10 and \$10,000, and the major donors, who gave \$10,000 or above. Waters (2009b) found that overall, donors evaluated all four stewardship strategies positively; however, "major gift donors evaluated all the strategies more strongly than annual giving donors" (p. 116). The major donors and annual giving donors opinions differed the most when evaluating the reciprocity strategies. Major donors reported

reciprocity more strongly than annual giving donors. The donors' answers differed the least when evaluating responsibility strategies. This finding further confirmed the assumption that organizations spend more time and effort stewarding major donors and implement more recognition practices for higher-level donors (Keller, 2008).

In order to see how these stewardship strategies affect the organization-donor relationship, Waters (2009b) used a path analysis to test the linkage between the stewardship strategies and four relationship outcomes, commitment, control mutuality, trust, and satisfaction (Hon & Grunig, 1999). Relationship nurturing and trust represented the strongest path, followed by relationship nurturing and commitment, responsibility and commitment, relationship nurturing and satisfaction, and relationship nurturing and control mutuality. "Relationship nurturing," according to Waters (2009b), "plays an important role in securing future donations and in fostering the growth of trust according to the results of this study (p. 117)." Trust is a common theme among relationship, stewardship literature, and professional publications including the Donor Bill of Rights.

Overall, these studies show the recent growth of stewardship research, on its organizational standards, as well as how donors and organizations perceive stewardship practices. Knowing how donors and organizations perceive stewardship is necessary in order to implement an organizational stewardship policy and plan.

#### Developing a Stewardship Program

Grace (2005) claims, "a strong stewardship program is the single greatest contributor to an organization's ability to go beyond fund raising" (p. 141). Davis (2001) recognized the need to create a practical stewardship plan at Virginia Polytechnic Institute and State University. As the Donor Stewardship Coordinator, she conducted an internal audit of the organization's

practices, similar to what this study plans to accomplish with MBPCC. Davis (2001) also benchmarked the practices of nearby colleges, in order to assess successful stewardship plans and learn from their implementation. Davis (2001), then created a “set of donor stewardship standards outlining practices, policies, and expectations for the entire institution,” based on her findings and consideration of the University’s needs (p. 37). This study shows that fund raisers need to do more than simply recognize the importance of stewardship, they need to adopt and organize strategies of stewardship that will best serve their donors and the organization.

Table 1

Cronbach’s alpha values for stewardship indices.

Variable	Index items
Reciprocity ( $\alpha = .80$ )	<p>The organization acknowledges fundraising donations in a timely manner.</p> <p>The organization always sends me a thank you letter for my donations.</p> <p>The organization is not sincere when it thanks donors for their contributions. (Reverse)</p> <p>Because of my previous donations, the organization recognizes me as a friend.</p>
Reporting ( $\alpha = .88$ )	<p>The organization informs donors about its fundraising successes.</p> <p>The organization tells donors how it has used their donations.</p> <p>The organization’s annual report details how much money was raised in that year.</p> <p>The organization does not provide donors with information about how their donations were used. (Reverse)</p>
Responsibility ( $\alpha = .90$ )	<p>The organization considers its donors when deciding how to use their donations.</p> <p>The organization uses donations for projects that are against the will of the donors. (Reverse)</p> <p>Donors have confidence that the organization will use their donations wisely.</p> <p>The organization tells donors what projects their donations will fund.</p>
Relationship nurturing ( $\alpha = .83$ )	<p>Donors only hear from the organization when it is soliciting for donations. (Reverse)</p> <p>The organization is more concerned with its fiscal health than with its relationships with donors. (Reverse)</p> <p>Donors receive personalized attention from the organization.</p>



Table Continued

The organization invites donors to participate in special events that it holds.

*Note.* From “Measuring stewardship in public relations: A test exploring impact on the fundraising relationship,” by R. D. Waters, 2009, *Public Relations Review*, 35, pp. 113-119.

Grace (2005) lists eleven basic principles that guide the creation of a strong stewardship program (see Appendix B). First, “begin involving donors in the stewardship program with the first gift. In this principle the focus is following up with the donor after the first gift and creating a strong relationship from the beginning” (Grace, 2005, p. 146). Gift acknowledgement represents a key point in the stewardship process. Scholars (Savage, 1999; Burk, 2003) recognize that the organization-donor relationship starts with the first gift and failure to steward the first gift will negatively impact the potential to retain the donors. The second principle states the importance of alternating messages to your donors. “For every one time you ask someone for money,” Grace (2005) states, “you should contact them two other times without asking for money” (p. 146). Grace gives the examples of non-fund-raising contacts as invites to lectures or presentations, committee meetings, or a reception to meet a new staff member or visiting doctor.

Grace’s (2005) third principle states, “allocate budget to stewardship activities” (p. 146). Stewardship programming needs to be an integral part of an organization and planned for in the budget. Grace (2005) suggests, “support budget requests with any anecdotal evidence you may have from a donor about the impact of your stewardship program or their willingness to give” (p. 146). This documentation helps to show the importance of stewardship and its return-on-investment. The fourth principle states, “be sure the stewardship practice is appropriate to the amount of the gift and the budget and image of the organization” (Grace, 2005, p. 146). Stewardship practice needs to reflect the real benefits of the donor’s gift.

The fifth principle states, “determine what kind of involvement major and planned gift donors, some of whom may be very involved and busy with other organizations and their own professions, want” (Grace, 2005, p. 147). It is important to match your stewardship programming to the needs and wants of the donors. Grace (2005) suggests, “find out what the donor expects at the time the gift is made, and honor the donor’s wishes throughout the relationship. Information regarding the way in which people want to be involved with an organization should be part of the database information about them” (p. 147). Obtaining and referring to this information helps development officers to better nourish the relationship.

Sixth, “coordinate stewardship and cultivation outreach, so that current donors have an opportunity to convey their enthusiasm and commitment to prospective donors” (Grace, 2005, p. 147). Grace suggests allowing existing donors to interact with potential new donors to encourage and build the donor relationships. The seventh principle states, “tie stewardship outreach to the organization’s mission” (Grace, 2005, p. 147). This principle suggests creating appropriate ways to show thanks and recognition to the donor, while at the same time reflecting the mission and work of the organization.

The eighth principle states, “focus on intangible, rather than tangible benefits” (Grace, 2005, p. 148). The donors need to understand what their gifts achieve in the organization, and then they may be more engaged in giving larger amounts. The ninth principle states, “maintain stewardship with longtime and generous donors, even when their giving falls off for a year or so” (Grace, 2005, p. 148). It is important to maintain the relationship even through times when the donor is unable to give or unable to give at their past amount. Tenth, “keep all previous large-gift donors informed and part of your database, even those who make what seems to be a one-time only gift, unless and until you hear they no longer want to hear from you” (Grace, 2005, p.

149). It remains important to recognize gifts and continue to foster the relationships with one-time donors.

The eleventh and final principle, “establish relationships between donors and program staff whenever possible” (Grace, 2005, p. 149). Grace suggests allowing opportunities for donors to get involved and learn more about the area in which they gave money. Relationships with the actual provider of the service can show them the true value of their gift.

Grace’s (2005) principles help to guide this research in establishing a comprehensive stewardship plan. In addition to these principles, Grace also establishes steps to implementation of a stewardship program (see Appendix B). The steps suggest collaboration with board members, volunteers, administrative staff, and donors.

“Stewardship,” according to Grace (2005), “is the most important practice in the development process” (p. 156). In order to cultivate new relationships and grow existing relationships, fund raisers need to focus on the practices of stewardship. Stewardship needs to become an integral part of a development staff’s activities and goals. If fund raisers fail to nourish relationships with donors, they fail to support the donor’s needs, as well as their organization’s needs and its overall cause.

### Challenges to Stewardship

Organizations implement different levels of stewardship programming depending on what the available resources allow. Maintaining and building relationships with donors involves time, staffing, and money. Organizations need to look at what tactics they can afford to employ. Fund raisers need to ask themselves, “What can the institution afford to spend on donors?” and “what is the institution willing to do to secure a gift?” (Fisher, 1995; Keller, 2009). Fisher (1995) emphasizes the need to analyze an organization’s budget and evaluate the costs involved in

stewardship programming. Fisher (1995) also states, “you will be in a position of strength if you know how much you are currently spending to acquire, fulfill, cultivate, nurture, recognize and upgrade your donors” (p. 39).

The use of stewardship practices, however, helps to nourish existing donors and create continued funding. Stewardship is an investment of time, money, and effort in an organization’s donors; however, concentrating on an existing donor base, instead of using time and money to scan the environment for potential donors, does in fact save and generate more money. (Hagenbaugh, 2008, p.8). According to Grace (2005), “budget allocation for stewardship practices, although sometimes it may be difficult to justify in the short term, has a significant long-term impact on over-all fund-raising costs” (p. 156).

Evaluating the effectiveness of stewardship practices also stands as a challenge to organizations. “To ensure that the organization’s limited resources are used effectively,” according to the Philanthropy Leadership Council report (2008), “development should rigorously test the impact of different stewardship practices” (p. 15). Testing stewardship procedures effectiveness may be costly and time-consuming, but save an organization from spending time and money on items or practices that do not affect donor attitudes or giving.

### Successful and Effective Stewardship

Grace (2005) states, “effective stewardship, begins with the organization’s philosophical commitment to the importance of the interests and needs of donor-investors and results in long-term commitment to the organization by its donor-investors” (p. 145). Kelly’s (1998) stewardship elements, Burke’s (2003) outlined donor needs, and Grace’s (2005) guide to creating a stewardship planning all represent necessary tactics for establishing effective stewardship. In addition to these tactics, Sturtevant (2001) specifically outlines the characteristics of

organizations that implement effective stewardship practices. Keller (2008) succinctly summarizes Sturtevant's description of successful organizations as those that:

Design donor services to maximize satisfaction with the giving relationship; understand and manage donor expectations; set high performance standards for all persons involved in the stewardship process; devote significant energy and resources to stewardship, including planning and budgeting; train employees in stewardship techniques; and consistently ask donors to weigh their experiences using focus groups, surveys, and anecdotal evidence. (p. 27)

Sturtevant (2001) also establishes personal elements of success, when implementing stewardship practices. Fund-raising practitioners, who successfully implement stewardship, show accuracy and reliability of communication, they promptly acknowledge gifts, act in a competent, courteous, and confidential manner with donors, and take the time to understand donor's motivation and satisfaction (Sturtevant, 2001).

### **Research Questions**

Normatively, stewardship exists a primary element necessary for successful fund-raising (Kelly, 1998); however, MBPCC shows evidence of a strong organization, which still fails to completely adopt a stewardship philosophy and practice. Therefore, it is important to assess the validity and the applicability of relationship management theories and tactics to the fund-raising work of non-profit healthcare institutions. The recent growth of stewardship literature and professional associations dedicated to donor relations and stewardship shows that although scholars established the ideas of relationship management nearly 25 years ago, stewardship still remains a developing area in practice (Ferguson, 1984, Ledingham & Bruning, 1998, Grunig & Hunt, 1984). For that reason, the established theoretical importance of stewardship, seen as a

primary element of the fund-raising process and a solution for retaining donors and fulfilling their needs, needs validation. This study seeks to evaluate the applicability of stewardship theory to practice, discover the organizational significance and practical scope of stewardship within the fund-raising arm of healthcare institutions, and ultimately create a strategic stewardship plan for MBPCC and an overall review of stewardship best practices of fund raising in healthcare institutions.

The following five research questions establish a base for what this research seeks to accomplish.

**RQ1:** To what extent do MBPCC and fund-raising practitioners in other healthcare institutions use communication tactics and strategic planning to implement the stewardship elements of reciprocity, reporting, responsible gift use, and relationship nurturing to ensure donor sustainability?

**RQ2:** To what extent do healthcare fund-raising practitioners describe their institution's stewardship practices as formalized?

**RQ3:** To what extent do healthcare fund-raising practitioners view stewardship as an essential element in the fund-raising process?

**RQ4:** To what extent do internal and external factors dictate the fund-raising practitioners adoption of stewardship as an ideology and practice?

The first research question uses Kelly's (1998) stewardship elements to measure the scope of stewardship practice at MBPCC and other healthcare institutions, as well as the tactics used to implement specific stewardship practices. The first research question also looks at whether healthcare institutions employ stewardship practices for the purpose of building and sustaining organization-donor relationships (Burk, 2003; Hagenbaugh, 2008). The second research question

aims to discover the extent to which fund-raising practitioners' practice of stewardship takes the form of an organizational policy and plan of action as suggested by Grace (2005). The third research question focuses on the fund-raising practitioners' perceived importance of stewardship in their fundraising process. Lastly, the fourth research question helps to shed light on the reasons fund raisers successfully employ or fail to employ stewardship in practice (Grace, 2005; Burk, 2003; Keller, 2008). This examination of current stewardship practices of MBPCC and the other healthcare institutions will help to validate the existing literature concerning stewardship program guidelines (Kelly, 1998; Grace, 2005), and create an understanding of fund-raising practitioners' level of commitment to stewardship and fulfillment of stewardship practices.

## CHAPTER 3: METHOD

### Case Study Approach

This study focuses on evaluating how MBPCC and other healthcare institutions currently practice stewardship with donors and why these institutions choose to do so in this way. The goal of answering these “how” and “why” questions, along with the study’s goal to “[investigate] a contemporary phenomenon in a real life context,” fit Yin’s (2003) description of a case study. This research constitutes a *collective case study*, “where a number of cases are studied in order to investigate some general phenomenon” (Stake, 2000, pp. 437-438). The individual fund-raising practitioners of health institutions, including MBPCC and 15 other healthcare institutions (see Appendix D), serve as the unit of analysis. The case study method allows the researcher to obtain information, which goes beyond the limited answers given in surveys, and study the actual workings of organizations, asking questions that help to answer the why and how of stewardship practice. Through an investigation of these organizations, this study seeks to understand the level of significance fund-raising practitioners attribute to stewardship practices, as well as the breadth of the practical application of stewardship in their work.

### Participants

The researcher selected MBPCC as the main focus of this case study due to its proximity to the researcher and its need for an integrated stewardship plan. The researcher also selected a purposive sample of 15 fund-raising practitioners working in healthcare institutions, which the researcher interviewed in order to gain an understanding of their stewardship practices. According to Hammersley (1992), in order to generalize from an analysis of a single case, it is necessary to obtain information about relevant aspects of a population of cases and compare the findings. This study examines the selected cases of fund-raising practitioners in health care



institutions and from an in-depth look at those cases, establishes evidence of existing stewardship best practices. Purposive sampling, according to Silverman (2005), “allows us to choose a case because it illustrates some feature or process in which we are interested” (p. 129). The researcher chose subjects who act as the head of the development or fund-raising department, unless the institution employed practitioners with the specific role of donor relations or stewardship manager. In this case, the practitioner overseeing stewardship activities served as the research subject. According to Grunig and Hunt (1984), it is important to study those individuals in the dominant coalition, or management team, because they hold decision-making power and stand as credible sources of organization information.

The 15 fund-raising practitioners represent healthcare institutions on the national, regional, and local level. Five of the fund raisers work for cancer hospitals, which rank among the top 20 cancer hospitals in the United States, according to US News and World Report (2009). These facilities, ranked based on reputation, death rate, and patient care, represent excellence in cancer care and provide organizational and medical benchmarks for other institutions. Looking at these excellent cancer institutions will show a national scope of stewardship, but more importantly for this study, these institutions will provide examples of a range of stewardship practices, which may be applicable to a cancer institute like MBPCC. The five fund-raising practitioners representing the nationally known medical institutions include University of Texas M.D. Anderson Cancer Center in Houston, Ohio State University Medical Center, Dana-Farber Cancer Institute in Boston, Vanderbilt University Cancer Center in Nashville, Tennessee, and the Cleveland Clinic in Cleveland, Ohio.

The next five fund-raising practitioners in the sample work for healthcare institutions in the southwest region of the United States and do not have a specialty in cancer. These include,

Children's Medical Center at Dallas, University of Texas Southwestern Medical Center, Baylor Health Care Center in Dallas, Methodist Hospital in Houston, and Athens Regional Medical Center in Georgia. The researcher chose these medical organizations due to their regional proximity to MBPCC.

The last five individuals in the sample include fund-raising practitioners from healthcare institutions within the state of Louisiana, not specifically associated with cancer services. The researcher looked at healthcare institutions within the state of Louisiana, due to these facilities proximity to MBPCC. Patients of MBPCC, may also visit other healthcare institutions within the state and measure MBPCC's stewardship practices against the practices of these neighboring institutions. The Louisiana institutions include Women's Hospital in Baton Rouge, Children's Hospital in New Orleans, Ochsner Medical Center in New Orleans, St. Patrick Hospital in Lake Charles, and Baton Rouge General.

### Data Collection

Stake (1995) and Yin (2003) stated that sources of evidence in case studies include documents, archival records, interviews, direct observation, participant-observation, and physical artifacts. In this study, the researcher used document analysis, as well as observation, to gain a holistic view of MBPCC's stewardship practices. Also, to acquire information and a greater understanding of how the institutions practice stewardship, the researcher conducted interviews with a fund-raising practitioner at MBPCC and each of the 15 other healthcare institutions.

### Document Analysis & Observation

For MBPCC, the researcher looked specifically at the communication and planning documents the staff uses to meet the needs of the stewardship elements of reciprocity, responsible gift use, reporting, and relationship management. The researcher analyzed the printed

materials used by MBPCC to build relationships with donors, which included letters, newsletters, pamphlets, and invitations to events. Also, the researcher looked at planning documents, including those that dictate the staff's role in the dissemination or creation of stewardship practices, and also the calendar of events that shows evidence of stewardship activities. In addition to the printed documents, the researcher evaluated the level of stewardship practices and procedures based on direct observation of the MBPCC's fund-raising office and conversations with fund-raising staff. The researcher also conducted an interview with the vice president of development at Mary Bird Perkins. Using this method of research allowed the researcher to get the best understanding of how MBPCC operates, what tactics it uses to accomplish its goals, and ask questions of why it operates in this way.

## SWOT

After the researcher evaluated the organizational operations, she began the strategic planning process and conducted a SWOT analysis to reveal the strengths and weaknesses of the stewardship programming, as well as its opportunities and threats. "Strategic planning is the basis of the fund-raising process," according to Kelly (1998, p. 402). This planning helps practitioners to identify internal as well as external strengths and weaknesses and allows them to capitalize on those findings. SWOT stems from the ideas surrounding the two-way symmetrical model of fund raising and focuses on informed opportunism and strategic planning (Kelly, 1998). According to Kelly (1998), SWOT introduces strategic planning, not sporadic planning. Fund raisers need to "continue to scan the environment, which rapidly changes, and [become] alert to opportunities not anticipated in the formulated plans" (Kelly, 1998, p. 401). The SWOT analysis, along with the interviews of healthcare fund-raising practitioners, serve as a basis for creating a comprehensive stewardship plan for MBPCC, and an overall plan of best practices.

## Interviews

The long interview,” according to McCracken (1988), “gives us the opportunity to step into the mind of another person, to see and experience the world as they do themselves” (p. 9).

Listening to the fund-raising practitioners’ experiences helped the researcher to understand why certain methods of stewardship work for some organizations and not others. “The improvement of contemporary life,” as McCracken (1988) states, “depends upon intimate understandings of the respondent” (p. 10). Therefore, this research, intending to improve the practice of stewardship, sought to better understand organizations’ adoption of stewardship practices from the eyes of the fund raiser.

Based on McCracken’s (1988) model of long interviews, the researcher conducted all of the interviews either on the phone or in person with the 15 fund-raising practitioners working in healthcare institutions. The researcher recorded all interviews to ensure accuracy.

Also in line with McCracken’s (1988) model for interviews, the researcher constructed questions to guide the interviews. In order to assess the first research question, which concerns the implementation of stewardship elements, the researcher used a list of questions (see Appendix E) based on Waters’ (2009b) stewardship survey in Table 1. To assess the second research question, concerning the formalization of stewardship practices, the researcher asked questions that show evidence of Grace’s (2005) principles for creating a stewardship program. Using these questions, the researcher sought to develop an understanding of the types of stewardship programming fund-raising practitioners employ with their donors, and the level of detail involved in organizing the stewardship programming (see Appendix E). To address the third question, the researcher asked fund-raising practitioners how critical they felt stewardship was to the fund-raising process. In order to evaluate the fourth research question, which concerns

factors that may influence a professional's ability to implement the desired stewardship programming, the researcher asked basic questions to discern the size and history of the healthcare institution, fund-raising or development staff, donor base, and fund-raising budget (Appendix E).

To encourage openness, the researcher guaranteed confidentiality to all interviewees and their organization in the study resulting from these interviews. After conducting the interviews, the researcher transcribed all conversations (see Appendix G). The researcher then analyzed the interviews according to the themes that result from the fund-raising practitioner's responses.

## CHAPTER 4: RESULTS

To answer the first research question, the researcher used a document analysis of MBPCC's stewardship practices, as well as interviews with 15 healthcare fund-raising practitioners and the vice president of development at MBPCC.

**RQ1:** To what extent do MBPCC and fund-raising practitioners in other healthcare institutions use communication tactics and strategic planning to implement the stewardship elements of reciprocity, reporting, responsible gift use, and relationship nurturing to ensure donor sustainability?

### Document Analysis

MBPCC maintains a shared drive on its computer network with documents and records of its programming, events, and procedures. From this shared drive the researcher retrieved copies of the documents, which revealed evidence of the organizations stewardship practices. A typed donor acknowledgement plan document, which outlines the gift recognition procedures for donors, divided by purpose of giving and giving level, exists among MBPCC's donor recognition files. This document alone does not accurately reflect the current stewardship practices of MBPCC, but serves as evidence of an attempt to organize and segment stewardship practices based on the giving levels of annual giving donors. Before covering the specific stewardship activities associated with this plan, the segmentation of annual giving levels needs explanation.

### Giving Levels

In order to show appreciation and recognition for the gifts of annual giving campaign donors, MBPCC's development department segments donors into groups based on giving level. Although the development staff publicly lists the giving levels in the *Perkins Perspective* newsletter, they do not specifically promote the giving levels or the benefits of each level. The

segmentation of donors is more for the strategic use of the staff, as opposed to creating clubs or events, which foster the growth donor relationships within each level.

#### Samaritan Circle

The lowest level of giving for the MBPCC's annual campaign donors is called the *Samaritan's Circle*. Levels within the Samaritan's Circle include *Friend*, *Associate*, *Care Giver*, *Supporter*, and *Ambassador*. A Samaritan Circle Ambassador donates \$600-\$1199, Supporter \$300-\$599, Care Giver \$120- \$299, Associate \$60-\$119, and Friend \$30-\$59. Although the donor acknowledgement document divides the Samaritan Circle donors into different levels, the staff refers to all gifts fewer than \$1,200 as Samaritan Circle gifts, and does not differentiate between the levels when responding to donors or documenting their giving.

#### Paul D. Perkins Society

The next level of donors is the Paul D. Perkins Society, named after Paul D. Perkins who contributed the cornerstone gift for MBPCC. Within the Paul D. Perkins Society, the levels of giving include *Sustainer* and *Guardian*. Sustainers donate between \$1,200-\$2,499 annually and Guardians donate between \$2,500-\$4,999 annually. MBPCC considers those donors who contribute yearly contributions of \$1,200 or more *leadership donors*.

#### Rathbone Society

The Rathbone Society, established as a tribute to MBPCC's founding chairman, Dr. M.J. Rathbone, Jr. and his wife Barbara, recognizes donors giving \$5,000 or more and includes the giving levels of *Patron*, *Philanthropist*, and *Benefactor*. Patrons donate between \$5,000-\$9,000 annually. Philanthropist donors give between \$10,000-\$19,999, and Benefactor donors give \$20,000 or more annually.

## Other Giving Levels

### Foundation

Individuals who give \$10,000 or more to the MBPCC Foundation endowment or who have named the MBPCC Foundation as a beneficiary in their estate plans or other charitable gift plan, become members of the Anna B. Lipsey Legacy Builders (ABLLB) society.

### Honor Memorial Gifts

MBPCC also segments donors by their donation of honor and memorial gifts. Honor gifts include those gifts given to MBPCC to commemorate special occasions, including birthdays and anniversaries. Memorial gifts are those gifts given to memorialize the name of friends or loved ones.

### Major Gifts

MBPCC classifies all major gifts, in any giving category, memorial, honor, annual giving, or direct mail, as gifts of \$25,000 or more.

## Stewardship Communication Tactics

MBPCC uses a wide range of communication tactics to steward existing donors. The donor acknowledgement plan outlines the procedure for some of the communication tactics, including thank you letters, phone calls, newsletter, cards, and plaques for annual giving donors.

### Thank You Letters / Phone Calls

All donors to the annual giving program, no matter what giving level, receive a thank you letter, which serves as personal recognition and acknowledgement of their gift. Samaritan Friends and Associates receive a donor receipt within 48 hours of MBPCC's receipt of the gift, signed by the annual giving manager. The donor acknowledgement plan states that first time donors receive a separate letter, signed by the chief development officer, thanking them and



introducing them to the organization. The donor acknowledgement plan also states that first time donors also receive a phone call from the chief development officer, thanking them for their gift, within 5 business days of the acknowledgement. If the gift is over \$50, assigned staff personally calls the donor to thank him or her for the gift. Although the guidelines for stewarding new donors exist in the donor acknowledgement plan, the researcher did not observe these in practice.

According to the donor acknowledgement plan, Samaritan Care Givers receive the same benefits as the Samaritan Friends and Associates, but also receive a personal phone call from assigned staff within 72 hours of the staff's weekly gift receipt report. The only difference in the benefits between the Care Givers and the next level, the Samaritan Supporters, is that the chief development officer signs the Supporters' donor letter. The top level in the Samaritan Circle, Ambassador, receives all of the benefits of Supporters, but the donor acknowledgement plan states that Ambassadors receive a phone call from the person who solicited them for the gift. Donors at the Sustainer and Guardian levels of the Perkins Society receive the same benefits. Both levels receive a thank you letter signed by the chief development officer within 48 hours of MBPCC's receipt of the gift. They also receive a phone call within 72 hours of the weekly report from the assigned solicitors. The chief development officer writes personal notes to those higher-level donors, who she knows and who maintain a close relationship with the organization.

Although the donor acknowledgement plan states that these lower-level and new donors receive personal phone calls from the development staff, the researcher's observations and discussions with staff members reflect an absence of these calls. If the staff calls donors at the Samaritan Circle level, the process is inconsistent and infrequent. Phone calls to higher-level donors appear more frequently.

All donors in the Rathbone Society receive a thank you letter within 48 hours of MBPCC's receipt of the gift, like other annual giving donors, but they also receive a letter from the CEO within five days of the gift receipt. The development staff uses special Rathbone stationery with the embossed Rathbone logo on the letterhead for these letters. Donors at this level also receive a personal phone call from the chief development officer within 72 hours of the staff gift receipt weekly report. Annual giving donors, who make pledge payments, only receive a receipt of the gift within 48 hours of MBPCC's receipt of gift including a note from the appropriate development staff.

Honor and memorial donors, who give \$1 or more, receive a receipt within 48 hours of MBPCC's receipt of the gift. Also an acknowledgement will be sent to the family of the person named in the gift. Major gift donors, those giving \$25,000 or greater, receive a thank you letter signed by the chief development officer within 48 hours of MBPCC's receipt of the gift. The chairman of the board of directors also receives a copy of the letter sent to the donor. The development staff sends this letter on Rathbone stationery and includes Foundation information inserts in the mailing. In addition to the letter, these donors also receive a phone call by the chief development officer thanking them for their gift. This call occurs within 72 hours of MBPCC's receipt of the gift. This phone call is to be followed by a letter from the CEO of MBPCC.

Donors who give directly to the MBPCC Foundation, no matter the amount, receive a letter within 48 hours of MBPCC's receipt of the gift and the CEO and Foundation Chairman of MBPCC receive a copy of this letter. The letter is printed on Foundation stationery. Members of the ABLLB society, who give \$10,000 or more to the Foundation, receive a thank you letter signed by the CEO and the Foundation Chair within 48 hours of MBPCC's receipt of the gift. This letter is also printed on Foundation stationery. The donor acknowledgement plan states that

ABLLB donors receive a phone call within two weeks of the acknowledgement from the chief development officer and the Foundation chairman.

Donors who give money at third party events also receive a thank you letter signed by the chief development officer within 48 hours of MBPCC's receipt of the gift. All those involved in the planning and execution of the annual Merrill Lynch Golf Tournament and the Taste of the Tournament event and auction receive thank you letters from the development staff after the event. The individuals and groups involved in this event include the golf and Taste of the Tournament committees, restaurants and caterers, tournament sponsors, volunteers, and hosts and hostesses. All those individuals or organizations that sponsor the tournament receive a thank you letter signed by the chief development officer within 48 hours of MBPCC's receipt of the gift. Those who donate golf auction items or in-kind donations to the Taste of the Tournament receive a thank you letter signed by the director of corporate giving within 48 hours of MBPCC's receipt of the gift.

#### Cards

The levels of donors that receive Thanksgiving or birthday cards vary from year to year; therefore, the current procedures for sending these items do not match the procedure outlined in the donor acknowledgement plan. I spoke with MBPCC development staff members to identify which donors receive cards, newsletters, and their name on the donor plaques. The following information reflects the current stewardship practices, not the practices outlined in the donor acknowledgement plan document. Instead of holiday cards, MBPCC sends Thanksgiving and birthday cards to all leadership donors, which are those who give at the \$1,200 level and above.

## Perkins Perspective

The *Perkins Perspective* is a newsletter, which MBPCC sends to all donors who give \$25 or more, and MBPCC volunteers. The development department mails the *Perkins Perspectives* with a personal letter to leadership level donors. The communication department mails all other copies of the newsletter directly to donors. The communication department mails the *Perkins Perspective* bi-annually. In previous years, the communication department mailed the *Perkins Perspective* quarterly. This year, however, with an effort to decrease costs, the development office sent the *Perkins Perspective* only twice a year.

The development department prints the giving levels and the names of each donor within each level once a year in the *Perkins Perspective* newsletter. Also, the names of those of whom honor and memorial gifts have been made in their name are listed in the newsletter. Also, MBPCC lists the names of the annual donors to the ABLLB society in the newsletter. Volunteers at MBPCC are also recognized and listed in the *Perkins Perspective*. The *Perkins Perspective* serves as a means of reporting to donors on MBPCC's new medical developments and fund-raising events. The *Perkins Perspective* also helps to show donors the benefits of their gift to the organization, as well as further establish and nurture relationships with existing donors.

## Plaques

Another form of recognition is the Leadership Plaque, which is located on site at MBPCC. MBPCC places the names of those donors who give at the leadership level of \$1,200 and above on the plaque. Also, those donors who give to the ABLLB society receive recognition by having their names on the ABLLB plaque, also located on-site at MBPCC.

## Other Stewardship Communication Tactics

Other stewardship practices, not identified specifically in MBPCC's donor acknowledgement plan, the researcher observed by looking at other documents and speaking with MBPCC development staff. These communication tactics include the e-newsletter, the annual report, stewardship letter, stewardship appointments, MBPCC Web site, and Facebook page.

### E-newsletter

MBPCC keeps track of donors, their information and giving records, in a computer database called Donor2. MBPCC staff records email addresses in Donor2 as they receive them from the donors. Not all records for donors show an email address, therefore, MBPCC can only reach the donors who give their email at events, on surveys, or on material given to MBPCC through email. All the donors in the database who have an email listed in their account receive the MBPCC e-newsletters. The communications division of MBPCC sends out the e-newsletters every other month. The e-newsletters represent a shorter form of the bi-annual newsletter, giving updates on happenings at MBPCC, events, successful fund raising as well as medical breakthroughs.

### Annual Report

The annual report serves as a way in which MBPCC shows evidence of reporting its work and financial stability to donors, as well as recognizing donors for their annual donations. The annual report is a comprehensive report on MBPCC's activities over the past year and allows donors to access the organization's financial performance in the past year.

Only donors in the leadership level of giving, \$1,200 or more, receive a hard copy of MBPCC's annual report. MBPCC mails the report to its leadership level donors in late April. The

report lists the names of donors by annual giving level, community giving, corporate giving, and honor and memorial gifts. The report also bears the names of employees and volunteers who give to the Partners of Hope Campaign. The staff also prints a list of names of those individuals who volunteer or serve as members of different boards in the annual report.

This past year, MBPCC saved money on printing and postage by putting the annual report on a small CD, rather than printing the entire document for the donors. MBPCC also lists the annual report on their Web site for lower level donors and all other members of the public, who wish to read the report.

#### Stewardship Letter

MBPCC uses stewardship letters to show appreciation, nurture relationships, and report to annual giving donors. Annual giving donors receive the stewardship letter once a year. The letter states the accomplishments of MBPCC in the past year, and also thanks donors for their support. MBPCC uses this letter as a way to stay in touch with donors and update the donors on MBPCC's success, without specifically asking for a gift.

#### Stewardship Appointments

MBPCC's development staff tries to make personal visits to donors, primarily those who give \$500 or more. The donors MBPCC chooses to visit depends on the year, the level of gifts, and the acquisition of new donors as prospects. MBPCC's development staff uses a subjective process and the number of appointments and the selection of donors may vary from year to year.

#### Web Site

The MBPCC Web site is clearly laid out and easy to navigate. There is a direct link from the main page to the giving page, and also from the main page to the donate on-line page. This provides donors with an easy way to access information and also give. The giving web page,

outlines the purpose of giving to MBPCC, ways to give and volunteer, and fund-raising events.

This web page also gives the names and contact information for each development staff member.

This provides the public and donors a direct way to access the staff and ask questions or get more information. MBPCC also lists the 2008 annual report on the Web site.

#### Facebook Page

MBPCC created a Facebook organization page within the last year for its *Fight Cancer Campaign*. The page stands as a source of information on the campaign and its events, as well as a channel of communication between MBPCC and its publics. Currently, MBPCC's Facebook page has 55 Facebook friends. The Facebook page does link to the Web site, so it draws traffic to the main source of information; however, the Web site does not have a link to the Facebook page.

#### Events

MBPCC also conducts several events, which reflect practices of stewardship. These events include the Rathbone Leadership Dinner, in-home receptions, the ABLLB luncheon, center tours, the annual golf tournament, and the volunteer reception.

#### Rathbone Leadership Dinner

The Rathbone leadership dinner is an annual event, which MBPCC uses to thank higher level donors and also recognize one donor with an award. MBPCC only invites the donors at the Rathbone giving level, \$5,000 and above, and those corporate donors to the golf tournament, which give \$10,000 and above. At the dinner, the development staff presents the D. Jensen Holliday Memorial Award to one donor who made a significant contribution to the fight against cancer in the past year. Therefore, MBPCC uses this event to show appreciation for major

donors, recognize them for their contributions, and also nurture the organization-donor relationship.

#### In-home receptions

Current major donors of MBPCC periodically host private receptions at their homes. These events, which MBPCC staff refers to as “in-home receptions,” act as cultivation events; however, the development staff also uses these events to get to know potential donors and to begin stewarding them from the beginning. At the end of the event, the development staff asks guests to fill out a form to evaluate the event. According to the information received from this evaluation form, the staff sends follow-up thank you letters and also any additional information the guests’ request.

#### ABLLB Luncheon

The ABLLB luncheon presents an opportunity for MBPCC to recognize and show appreciation for members of the ABLLB society who gave \$10,000 or named MBPCC in their estate plans. MBPCC holds the luncheon annually. This luncheon also acts as an event, which nurtures the relationship between the organization and its high-level Foundation donors.

#### Center Tours

Tours of MBPCC serve as cultivation events for MBPCC, but like the in-home receptions, MBPCC uses these events to begin building relationships with future donors. MBPCC asks all who attend tours at any of the MBPCC centers to fill out an information form. MBPCC’s development staff then sends thank you letters to all those who attend the tours and any additional information about MBPCC the guests may want.



## Golf Sponsors and Volunteer Reception

Aside from the thank you letters sent to donors and those involved in the annual golf tournament, MBPCC hosts a reception for golf sponsors and volunteers. This reception takes place at the end of the tournament and serves as a way to show appreciation for sponsors and volunteers and recognize them. At the event, MBPCC also allows donors to sign up to give again the next year. In this way, MBPCC uses the event to thank and nurture the relationship with existing donors and volunteers, and turn them into repeat donors and participants.

## Volunteer Reception

MBPCC holds a volunteer reception annually to recognize all who give their time to MBPCC. Also at this reception, MBPCC recognizes volunteers with five years or more of service and gives out individual awards to volunteers. One award is the Louis Curet Volunteer Fundraiser Award, which MBPCC presents to an individual who makes a significant service contribution to MBPCC or its foundations philanthropic efforts. The second award, the Hillar Moore Outstanding Service Award, recognizes an individual who makes a significant service contribution to MBPCC by helping to launch a new or improved development program. This event and the awards presented show MBPCC's recognition and appreciation of volunteer work and also serve to build relationships with current volunteers.

## Donor Surveys

MBPCC asks donors that attend the Rathbone Dinner to fill out surveys in order to best understand how they can improve the dinner and services to donors. Also MBPCC mails an annual stewardship survey to all donors. This survey asks questions, which aim to find out whether the donors appreciate the existing stewardship practices and whether the donors find the means of practicing stewardship appropriate for their gifts.

## Future Plans

As stated previously, MBPCC understands the need and importance of stewardship, but does not always have the means to implement specific programming to advance its stewardship practices. The following activities represent MBPCC's existing stewardship plans for the future, not current practices.

### President's Council

MBPCC plans to start a President's Council, composed of donors from the annual giving campaign, golf sponsors, hosts of in-home receptions and third-party events. The President's Council will meet twice a year and will focus on educating donors on MBPCC's work and needs. In this way, the President's Council will report on the donors' gifts at work and also help to further nurture the relationship between MBPCC and its donors.

### Cumulative giving

MBPCC created an outline for a cumulative life-time giving recognition program. MBPCC recognizes donors for annual giving, but this program seeks to fill the void for recognizing donors who give to a wide range of MBPCC programs over a long period of time. Like the giving levels for annual giving donors, MBPCC plans to create giving levels for the lifetime giving program. The outline shows that the benefits for the giving levels remain similar to the annual giving program, including an invitation to and recognition at the Rathbone leadership dinner and recognition in the annual report.

MBPCC is only in the beginning stage of generating a list of all donors whose cumulative giving falls at or above \$5,000. The Donor2 database only has records beginning in 1990, so the process of establishing a list of cumulative donors requires attention from staff in order to proceed with the project. Although the project recognizes the need to create a stewardship

program for life-time giving, it needs further research on the donors that will make up this group, as well defined benefits that differ from the annual giving stewardship program giving levels, so donors can discern the difference between the two giving programs and the incentives for life-time giving. In conjunction with the cumulative giving program, MBPCC wants to establish a donor recognition wall. The design and placement of the wall remains undecided at this time, but MBPCC plans to begin the project in within the next year.

#### Samaritan Circle

MBPCC also outlined a stewardship plan geared toward their Samaritan Circle donors. MBPCC tentatively outlined benefits for each giving level, which include certificates, note cards, pens, listing in the, and invitations to a VIP breakfast at MBPCC. This remains only in the form of a proposed plan and is subject to change.

#### **Interviews**

The researcher inquired about the individual communication tactics the 15 practitioners used to implement stewardship, the practitioners definition of stewardship, as well as their opinion of the importance of each stewardship element, to answer the first research question. It is necessary to note that while the interviews yielded a plethora of information about the intricacies of each institution and its programs, the researcher reported only the results that pertain directly to the stated research questions.

#### Reciprocity

##### Letters

All 15 of the fund-raising practitioners interviewed, acknowledged all levels of donor gifts using mailed thank you letters. All of the organizations described the personalization of the thank you letter as dependent upon the level of the gift. In other words, the greater the gift, the

more the staff focuses on personalizing the letter to the individual donor, and the signature of the letter bears the name of a person in a higher position of authority within the institution or the development department. Four of fund raisers from the smaller, state institutions, however, noted that although the level of the donation dictates whether the vice president or the president signs the letter, they still work to personalize letters going to donors of all levels, not just the major donors. One of the Louisiana-based fund raisers stated:

I have an older gentleman who lives in an apartment and he sends me six dollars a month. But he gets a letter and I typically will jot a note at the bottom of it thanking him again. You know, I'm sure that that's what he can afford and I think that's wonderful that he supports us.

## Calls

Of the 15 interviewees, 13 of the practitioners said they make phone calls only to thank donors for major gifts. These institutions reported that it is up to the discretion of the individual development officers as to when and which donors to call. One practitioner from a Louisiana institution said their staff makes thank you calls to donors for annual gifts as low as \$100 dollars; this is the lowest level for which practitioners reported making a phone call. One practitioner from a state institution stated that they use phone calls in the acknowledgement process for “two reasons: 1) I think that people appreciate the phone call; and 2) I do that because sometimes they tell me something about themselves and you know, I think development thrives on information.” Two of the smaller organizations, one within Louisiana and one in the southern region, did not mention phone calls as part of their acknowledgement process.

## Giving Levels

All 15 institutions segment donors based on the giving level. The institutions use these levels to determine the amount and type of recognition and acknowledgement each donor receives. The levels vary from institution from institution; the larger institutions have higher minimum giving levels, some of which the recognition begins at \$50,000, and the smaller intuitions may begin at \$1,000.

## Donor Societies

Of the 15 practitioners interviewed, 13 use donor societies as a form of donor recognition. The societies represent primarily annual giving donors, major gift donors, life-time giving donors, as well as planned giving donors. One practitioner from a national institution claimed they used donor societies in the past, and did not feel the need for them anymore. One other practitioner from a state institution did not see the current need for donor societies.

## Printed Names

Twelve of the practitioners publically recognize donors by printing donor names according to a giving level in a magazine or newsletter at least once a year. The 3 other institutions, which include one national, regional, and state institution, do not employ this form of recognition because the staff does not produce or send a magazine or newsletter publication to donors in any form.

## Gifts

Overall, 8 of the institutions, 2 national, 3 regional, and 3 local, present gifts to donors as a form of recognition. All 8 noted the importance of minimizing the amount and expense spent on donor gifts. According to one practitioner:

What I found is that key donors are going to support us year in and year out and I don't think it has much to do with any little gift that we might give them. It does have more to do with keeping in contact with them and keeping them up-to-date on some of the things going on here.

Of these 8 institutions, 4 gave lab coats to major donors as a token of appreciation. Four of these 8 institutions also gave pictures from events or small paintings, symbolizing the institution to the donors. These gifts show a creative and cost-efficient way to recognize giving and tie the gift back to the mission of the institution. While most gifts serve to recognize major donors, other small tokens to lower level donors included pins for members of an employee-giving program and calendars with pictures of the institution. Seven of the 15 institutions did not mention the use of gifts in their recognition procedures.

#### Events

Of the 15 practitioners, 12 employed at least one annual event to thank donors in their higher giving levels. The remaining 3 practitioners, one on the national level, one on the regional level, and one on the state level, did not use events as an organized means of recognizing donors. The regional practitioner stated that her institution did away with the annual recognition dinner because the donors thought it was unnecessary.

#### Donor Wall

Eleven of the institutions reported the use of a donor wall for public donor recognition. One of these 11 institutions within the last year started to use electronic kiosks for donor recognition that can be updated from year to year and also can serve as a source of information for potential donors. One institution reported the use of individual plaques on rooms and areas

within the campus instead of a large donor wall. The 3 remaining institutions, 2 local and 1 regional, do not use donor walls as a form of recognition.

## Reporting

### Newsletter

Twelve institutions reported using a mailed newsletter or institution magazine to communicate with donors. The newsletters focus on relaying information about current happenings at the healthcare institutions, as well as telling donor stories and recognizing donor giving. The 3 institutions without print newsletters include 1 from the national level, 1 at the regional level, and 1 within the state of Louisiana.

### E-communications

Of the 15 practitioners, 12 practitioners mentioned using email as a means of reporting to donors. Two of these 12 institutions use email primarily as a means of communication between the administration and the members of the institution's board of directors. One of the 12, a national institution, uses email to send quarterly reports, which give detailed updates on specific programs, to major gift donors. Of the 12, 7 institutions send e-mail blasts including updates or e-newsletters to their donor base in order to inform donors on programs, events, or other happenings at the institution. Two of these 7 institutions, 1 national and 1 regional, that send e-blasts to donors, specifically send videos or presentations via email. Discussing the use of e-mail presentations to reach and inform donors, one of these practitioners stated, "it [is] an easy way to get to about 500 donors, where in receptions we are lucky to get that many." Two of the twelve institutions, 1 national and 1 local, used email as a means of personal and individualized communication with major donors. The remaining 3 institutions, 1 national, 1 regional, and 1 state, did not mention using email to communicate and report to donors.

## Web Site

Although all of the institutions maintain Web sites, only 6 of the practitioners noted the Web site as a way they report to their donors on events and other giving information. One practitioner at a regional institution stated:

It is a fine balance, because we want to have a lot of information on Web site, but not too much to where there is not a need to talk to or contact a gift officer. If they can get everything off of the site, then we cant make that personal plea.

Two institutions did note using the Web site as a place to upload print newsletters and make these publications available to all.

## Social Media

Seven of the 15 practitioners, 2 from national, 2 from regional, and 3 from local institutions, use one or more forms of social media, including Facebook, Twitter, and YouTube, to communicate with donors about upcoming events and giving opportunities. The other 8 practitioners do not currently use social media to report to donors, but said that it is on their radar and something they plan to look into for the future.

## Stewardship Report

Of the 15 practitioners, 8 referred to stewardship reports sent annually, bi-annually, or quarterly, as a means of reporting back to donors. Of these 8 practitioners, 4 worked for national institutions and 4 worked for regional institutions. The remaining 7 practitioners, 1 from a national institution, 1 from a regional institution and 5 from state institutions did not mention a regularly scheduled report to donors. One of the state institutions referenced sending donors letters to update them on the institution, but did not express the regularity of this or the specific donors targeted.



## Annual Report

Eight of the institutions, 4 national, 2 regional, and 2 local, compile and give annual reports to their higher-level donors, either at annual events or through the mail. Two development offices, 1 with a local and 1 with a regional institution, do not compose and distribute annual reports because the responsibility lies with other departments within the large healthcare system. Five institutions, 1 on the national level, 2 on the regional level and 2 on the state level do not create and annual reports due to the high cost of composing and distributing the materials. One of these 5 institutions plans to work toward issuing an annual report, due to recent donor requests.

## Donor Feedback

Of the 15 practitioners, 3 reported using formal procedure for gaining feedback from donors about the institution and its development practices. Of these 3, 2, both regional institutions, employ surveys to gather donor opinions. One of the 3, also a regional institution, employed focus groups as a means of obtaining information from donors. Three of the 15 practitioners, 2 from national institutions and 1 from a state institution, used surveys in the past or periodically, but not currently. Of the 15, 4 practitioners, 2 from national institutions, 2 from regional institutions, and one from a state institution, gained feedback from donors through personal conversations and interactions with major level donors. The remaining 5 institutions, 1 national, 1 regional, and 3 local, did not employ any means of formal or informal feedback.

## Responsible Gift Use

### Gift Agreement

Eight of the institutions referred to using a gift agreement to assure donors of the responsible use of major gifts. Of these 8 practitioners, 5 work for national institutions, 2 for

regional institutions, and 1 for a state institution. This gift agreement works in conjunction with other reporting materials to insure responsible gift use. The remaining 7 institutions do not mention gift agreements as part of their stewardship practices.

### Relationship Nurturing

#### Events

Of the 15 practitioners interviewed, 9 held at least one stewardship event that did not specifically revolve around fund-raising or recognizing donors. Of these 9 practitioners, 2 work for institutions on the national level, 3 work for institutions on the regional level, and 4 work for institutions on the state level. Five of the 15 practitioners, 2 from national institutions, 2 from regional institutions, and 1 from a state institution, noted the presence of events only for recognition or fund-raising purposes. One of these 5 practitioners, from an organization on the national level, stated, “ [we] don’t separate cultivation and stewardship, or it’s a missed opportunity...any stewardship event is also cultivation, you have to look at it in tandem, stewardship is cultivation.” One practitioner from the national level did not mention relationship-building events as part of the stewardship plan.

#### Social Media

The 7 practitioners who use one or more forms of social media to report and communicate with donors, also use this form of communication to build relationships with donors. When asked the purpose of social media communication, one practitioner from an institution on the national level, stated:

It is a combination—building community—and a way to spread the news. A lot of people use it to say hey, don’t forget about this event. Then everyone that is a part of the group has this instant message, which ultimately leads to fund-raising.

## Phone Calls

All 15 practitioners mentioned the importance and the practice of making personal phone calls to donors for the purpose of relationship nurturing. Eight practitioners, all from Louisiana and regional institutions, called donors periodically to check in and work on building relationships with those donors. Seven practitioners, from larger regional or national institutions, stated that the frequency of phone calls to donors is up to the discrepancy of the individual development officers, or front-line fund raisers.

## Face-to-Face Meetings

All 15 practitioners scheduled face-to-face meetings with donors, primarily major level donors, periodically to help nurture the relationship, not just to solicit the donor. The form of these meetings varied from institution to institution, some using lunches, house-visits, or hospital-visits to “touch” the donor.

## Tours

Nine practitioners, 2 from national institutions, 4 from regional institutions, and 3 from local institutions, said they used tours of the institution, including labs, research center, hospitals, and general facilities, to help nurture their relationship with donors and help them to better understand the institution and its mission. The other 6 practitioners did not include giving campus tours as a part of their stewardship process.

## Cards

Only 5 of the practitioners interviewed sent holiday or birthday cards to donors as a form of relationship nurturing. Of these 5 practitioners, 2 work within national institutions, 2 within regional, and 1 within a state institution. Seven practitioners stated they did not use cards as means of building relationships; 2 of those 7 practitioners stated that they wanted to work on

implementing cards as part of the stewardship process. Two practitioners did not mention cards as part of their relationship building practices.

### Stewardship Definitions

All of the practitioners' definitions, except one, from a state institution, discussed one or more of the stewardship elements, reciprocity, responsible gift use, reporting, relationship nurturing. Each practitioner's definition of stewardship varied; however, the element of reporting appears most frequently among the 15 practitioners' definitions, stated in 11 of the 15 interviewees' definitions of stewardship. Seven practitioners, 3 from national institutions, 1 from a regional institution, and 3 from a state institution mentioned reciprocity in their definitions. Nine practitioners, 3 from national institutions, 3 from regional institution, and 2 from state institutions mentioned responsible gift use as a part of the stewardship definition. MBPCC also mentioned responsible gift use as a main part of its stewardship definition. Of the 15 practitioners, 8, 3 from the national institutions, 4 from regional institutions, and 1 from the state institutions, listed relationship nurturing in the definition of stewardship. MBPCC also noted relationship nurturing as part of their stewardship definition. Also, only 3 practitioners, 1 from the national level, 1 from the state level and 1 from the local level, stated all four stewardship elements in their definitions (see Table 2).

### Stewardship Elements

The researcher introduced the idea of each stewardship element to the interviewees and asked which, if any, they believed to be most important and which, if any, did they practice most completely. Six practitioners, 1 from a national institution, 3 from regional institutions, and 2 from state institutions, practiced all elements, and noted importance of all elements at different times throughout the fund-raising process. Three practitioners from a national institutions said

they employed all four elements, but that the development officers remained primarily responsible for relationship nurturing. One of these two organizations stated that although the institution employs all elements, it spends “at least 50% more on reporting versus the other areas mentioned.” One practitioner from a state institution stated that reciprocity was the least important of the four elements. One practitioner from a regional organization said the institution focused more on reporting and reciprocity. Three practitioners, one from a national institution, one from a regional institution and one from a state institution, implemented all four elements, but noted that they focused more on reporting and responsible gift use.

Table 2

#### Stewardship Definitions

Organization	Reciprocity	Reporting	Responsible Gift Use	Relationship Nurturing
National		X		
National			X	X
National	X	X	X	X
National	X	X	X	
National	X	X		X
Regional		X	X	X
Regional	X	X	X	X
Regional				X
Regional		X		X
Regional		X	X	
Local		X	X	
Local	X	X	X	X
Local	-	-	-	-
Local	X	X		X
Local	X	X	X	
Total	7	11	9	8
MBPCC			X	X
Total	7	11	10	9

MBPCC stated reporting as the most important and practiced element, and also noted the practice of relationship nurturing. Therefore, practitioners, in their definitions of stewardship and in the evaluation of the stewardship elements, noted reporting and responsible gift use as major components of stewardship, followed by relationship nurturing, and lastly reciprocity (see Table 3).

**RQ2:** To what extent do healthcare fund-raising practitioners describe their institution's stewardship practices as formalized?

As reflected in the interviews, for the 15 institutions, the formalization of stewardship lies primarily in the reciprocity element of stewardship. All practitioners segment donors by giving and determine which of levels receive phone calls, invitations to recognition events, acknowledgement letters, as well as the format of these letters and how soon to send the letters.

Table 3

Stewardship Elements

Organization	Reciprocity	Reporting	Responsible Gift Use	Relationship Nurturing
National	X	X	X	X Development Officer
National	X	X – More important	X – More important	X
National	X	X	X	X Development Officer
National	X	X	X	X
National	-	-	-	-
Regional		X	X	
Regional	X	X	X	X
Regional	X – More important	X – More important	X	X
Regional				X
Regional	X	X	X	X
Local		X	X	
Local	X	X	X	X
Local	X	X	X	X

Table Continued

Local	Less important	X	X	X
Local				X
Total	9	12	12	11
MBPCC		X		X
Total	8	13	11	12

Also, the institutions use gift levels to determine which gifts require a signed agreement. While all 15 practitioners stated that they had an outlined process for recognition procedures, only 1 institution, from the regional level, showed the researcher a physical copy of a stewardship plan, which outlined the recognition and reporting procedures.

Six institutions, 4 national, 1 regional, and 1 local, maintain separate departments, titled gift processing or contribution services, that specifically log gifts and distribute acknowledgements. Depending on the level of gift, however, further personalization of the letter may exist beyond the gift-processing department. The 6 institutions, 2 on the regional level and 4 on the state level, personalize all letters, whether it is a personalized signature or hand-written note. One regional institution states that the development officers write personal acknowledgement or thank you letters for those major donors who fall within a development officer's portfolio. The 2 remaining institutions, 1 at the national level and 1 on the regional level only mention the structure of sending acknowledgements with personalization based on giving level.

Outside of recognition, the practitioners' tailor their stewardship reporting and relationship building tactics to fit individual donor needs. All 15 practitioners reported using a database to track donor records. Two of the practitioners at regional level institutions use their databases to provide guidance and structure to stewarding donors, including when to contact the

donor and when to send reports, depending on their giving record. In all 5 national institutions and 2 of the regional institutions, the practitioners note that amount and frequency of the relationship nurturing, including phone calls, face-to-face meetings, and additional correspondence, depends on the discretion of each development officer or front-line fund raiser. Four of the 5 state institution practitioners, while they still formalize the gift acknowledgements according to giving level, showed a focus on greater personalization for all donors. One practitioner from a state institution stated, “I am also big on personal letters, so that is manageable. We have an office of average size and we are able to personalize.”

**RQ3:** To what extent do healthcare fund-raising practitioners view stewardship as an essential element in the fund-raising process?

As a whole, all 15 institutions practiced stewardship and believed stewardship is essential to the fund-raising process. Not one practitioner stated a lack of importance or need for stewardship. Each institution practices stewardship at varying levels, as evidenced by the practitioners’ definitions, as well as the individual communication tactics. One difference in the extent of stewardship practice an institution employs, depends on the amount of staff dedicated to the stewardship function, specifically.

#### Stewardship Staff

Of the 15 practitioners interviewed, 6 of them held a position specifically focused on stewardship or donor relations. These 6 include four practitioners from institutions at the national level and two from the regional level. One of these regional level stewardship directors also acts as a development officer with a portfolio of donors, therefore, does not act solely as stewardship director, but also maintains fund-raising duties. The history of these stewardship-specific departments also shows the growing importance of stewardship over the years. One of the



national institutions began employing someone in a specifically stewardship position 21 years ago. Two other national institutions began employing stewardship directors 12 and 9 years ago. One of the national institutions created the stewardship director position one year ago. The regional institutions started to recognize stewardship as a specific position more recently, one program began four years ago, and the other one year ago. The fifth national institution has several employees working on stewardship activities, however, currently lacks a stewardship director position. This organization plans to hire someone in the near future for the newly created position, director of stewardship.

These larger institutions acknowledge the importance of stewardship by establishing a position dedicated to managing stewardship. Five of these 6 institutions also have a division of development dedicated to stewardship, which includes two or more employees. The presence and size of stewardship staff shows a commitment to the importance of stewarding donors.

Although these 6 institutions provide specific stewardship positions, the majority of communication and relationship building, as stated previously, occurs between the fund raiser, or development officer, and the donor, not the stewardship professional and the donor. According to one stewardship director, “[the] donor doesn’t need four or five different contacts from the institution, much less the development office, so [the field officers] have primary responsibility, but we are there as teammates.” The stewardship staff acts as a support team to the fund raisers. One stewardship practitioner in a national institution stated, “I end up helping them think through the logistics of making that work, i.e., the gift agreement that needs to be involved and the leadership approval that needs to be involved. Explaining the thresholds. I provide talking points.” Another stewardship practitioners stated, “we are there to help facilitate, in the background to provide the tools necessary to help them be the connection to the institution

outside of the faculty member.” One national institution employs a person, within the stewardship department, whose primary role is to travel and personally visit major donors. Of the institutions with stewardship departments, this is the only position that evidences the stewardship professional personally connecting with donors.

Those 9 institutions lacking a specific stewardship staff position do not fail to practice stewardship, but do not expend the same amount of time and energy on organized stewardship activities. The practitioners working in the institutions without stewardship staff still feel the importance of it to their work as a whole. One organization notes, “I believe [stewardship] is essential to the fund raising process, it is hand and glove with the fundraising structure. You would not do one without the other.”

#### Stewardship in Poor Economic Times

The researcher asked the interviewees if they see an increased importance in the practice of stewardship due to the current economic downturn. Ten practitioners responded yes, that they did see a greater need to focus more effort on stewardship due to the economic decline. Of these 10 practitioners, 3 work for national institutions, 4 for regional institutions, and 3 for state institutions. Four practitioners, 1 from a national, 1 from a regional, and 2 from state institutions, stated that they did not believe stewardship became more important; they already viewed it as an essential part of the process. According to the practitioner from the regional institution, “if one is practicing good stewardship then the economy shouldn't impact the practice.”

**RQ4:** To what extent do internal and external factors dictate the fund-raising practitioners adoption of stewardship as an ideology and practice?

## Staff Size

Of all the limitations to stewardship practitioner listed, staff size appeared most frequently among the practitioners' responses. Of the 15 practitioners, 7, 2 on the national level, 3 on the regional level and 2 on the state level, noted staffing as one of the limitations to implementing thorough stewardship practices (see Table 4). MBPCC also noted staff size as a limitation to the implementation of stewardship. According to one of these practitioners, "Building the appropriate size staff is always difficult in development. Success in fundraising means increased responsibilities with stewardship, which can translate into more staff and/or more staff hours."

Table 4

### Challenges to Stewardship

Organization	Staffing	Time	Leadership	Reporting	Personalization
National	X	X		X	X
National	X	X		X	
National		X	X		
National				X	
National					X
Regional		X		X	
Regional	X			X	
Regional	X				
Regional		X			X
Regional	X				
Local				X	
Local	-	-	-	-	-
Local	X	X			
Local					X
Local	X				
Total	7	6	1	6	4
MBPCC	X	X			
Total	8	7	1	6	4

Staff size does not stand as a limitation only for smaller institutions. When the researcher asked a stewardship director in large national institution with a stewardship staff of six people if that staff size was sufficient, he said:

It is never sufficient. That's the answer. You work with what you have, you do your best, and you regroup. We work on particular things and sometimes your wish list gets pushed aside. You have to come back to some of the basics. But that doesn't prevent you from looking at those basics and how you might do it better, more efficient.

Therefore, while some view a small staff as a limitation, others in larger institutions feel that no staff is big enough. A stewardship practitioner on the regional level stated, "I think it doesn't matter how big you are, if you are a bigger staff you have more going on. I think it is challenging to keep it covered. We know we have to and we know the importance of it. It is tough." A fund-raising practitioner from a state level institution agrees with this and sees the smaller community as an asset and states that it is easier to personalize information and recognition.

### Time

Of the 15 practitioners interviewed, 6 practitioners, 3 from the national level, 2 from the regional level, and 1 from the state level, stated that the time needed to put into reports, recognition, and overall stewardship activities, stands as one of the limitations (see Table 4). MBPCC also notes time as a limitation to the implementation of stewardship.

### Leadership

Two organizations, 1 national and 1 regional institution, noted that a lack of organized and understood staff stewardship responsibilities act as a barrier to implementing stewardship in an organized manner. This stewardship practitioner said:

I've found that whereas our leadership may say 'Yes, that's a good idea', when I try to implement it, it's not the easiest thing to do. Because while I manage our donor relations program, I can't run the acknowledgment letters. I can't write the stewardship reports, I just have a broad picture of what [the institution] is doing, and making sure that we're doing it. (see Table 4).

### Reporting

Of the 15 practitioners interviewed, 6, 3 from national institutions, 2 from regional institutions, and one from a local institution, said that reporting to all of their donors on a regular basis often presents a challenge. The time and effort it takes to create donor reports, as well as the ability to verify the donor's correct contact information, interests, and needs, stands as a challenge to implementing effective stewardship.

### Personalization

Three practitioners, 2 from national institutions and 1 from a regional institution, noted that a challenge for them is finding ways to personally steward lower-level donors. These institutions receive a great amount of major gifts and so finding the time and the ways to make donors of lower-level gifts feel more important is a struggle. One of these practitioners stated, "So that is the challenge, a big program, how do you personalize it? How do you do those things our colleagues at smaller institutions can do and can address?" Conversely, 1 practitioner from a state institution noted that she had ability to personalize a great amount of communication, and to her, automated, mass mailings remained the challenge in stewardship, not the personalization of messages.

## Budget

None of the practitioners mentioned budget as a limitation to implementing stewardship. One practitioner of a national institution only mentioned budget when he mentioned a reduction in stewardship staff from eight to six people, but he noted the reduction as a problem, not the economy.

## CHAPTER 5: DISCUSSION

Based on the findings, the researcher evaluated how the recorded stewardship practices of MBPCC and the other 15 healthcare institutions compare to the theoretical guidelines for stewardship and the implementation of the stewardship elements of reciprocity, reporting, responsible gift use, and relationship nurturing.

**RQ1:** To what extent do MBPCC and fund-raising practitioners in other healthcare institutions use communication tactics and strategic planning to implement the stewardship elements of reciprocity, reporting, responsible gift use, and relationship nurturing to ensure donor sustainability?

The following SWOT analysis shows an evaluative look at extent to which MBPCC practices stewardship and the elements of reciprocity, responsible gift use, reporting, and relationship nurturing.

### **SWOT Analysis**

#### Strengths

##### Reciprocity

Overall MBPCC's development office does an excellent job practicing the reciprocity element of stewardship. Organizing donors by giving level helps the development office to segment annual giving donors and thank them in ways according to the amount of the gift. MBPCC's systematic way of showing appreciation to donors through thank you letters reflects what Kelly (1998) and Burk (2003) refer to as an essential part of strategically practicing reciprocity.

From observations, the researcher saw accuracy in the system of sending thank you letters, as laid out in the donor acknowledgement plan. The notes the chief development officer

writes on letters to major donors or donors with whom she maintains a personal relationship show an individualized form of recognition. According to Burk (2003), “a handwritten letter is the ultimate in personal recognition because it proves that someone in your organization spent the last few moments thinking specifically about that donor” (p. 47). MBPCC, therefore, successfully and sincerely thanks higher-level donors.

The thank you letters MBPCC sends to donors following all events shows a dedication to showing appreciation to current and potential donors for their time and money, and also serves as a way to begin nurturing relationships with current and new donors. Also the personal thank you phone calls to higher-level donors helps build relationships between donors and the development staff. These phone calls from different staff members reflect use of Grace’s (2005) eleventh principle for implementing stewardship, “establish relationships between donors and program staff whenever possible” (p. 149).

MBPCC uses the giving levels to dictate the level of gift or recognition donors receive. MBPCC achieves the basic, but necessary practices of placing donor and volunteer names in the newsletter. This easy form of recognition goes a long way and is a public display of recognition (Burk, 2003). The higher levels of MBPCC’s donors receive recognition at the Rathbone leadership Dinner and ABLLB luncheon, where all major donors receive recognition, as well as outstanding donors.

#### Responsible Gift Use

MBPCC uses the thank you letters, the newsletter, stewardship letter, and the annual report to show its commitment to responsible gift use, as well as notifying the donor of the gift’s use.



## Reporting

Similar to responsible gift use, MBPCC reports work associated with, and resulting from, donor gifts through the newsletter, e-newsletters, stewardship letter, and the annual report. While these forms of reporting focus on communicating with existing donors, the Web site and the Facebook page allow MBPCC to report its success and programs to the general public and those interested in becoming potential donors. MBPCC's Web site in general offers a great amount of necessary information in an easy to use format. MBPCC uses the Web site as an effective and efficient means of communication, which supplies a range of information and enables MBPCC to report its work to publics and donors who may not receive copies of the annual report or newsletters. MBPCC also utilizes stewardship surveys to gain an understanding of the donors' perspective, as well as their needs and wants. All of the publications MBPCC uses to report to current and future donors help to establish MBPCC's validity as an excellent healthcare organization and one worthy of responsibly managing donors' money.

## Relationship Nurturing

MBPCC's practice of sending thank you letters, newsletter, e-newsletters, stewardship letters, conducting stewardship appointments, and hosting events all serve the purpose of maintaining relationships with donors. The development office of MBPCC succeeds in practicing relationship nurturing, especially with major donors. The thanksgiving and birthday cards reflect MBPCC's implementation of relationship nurturing with leadership level donors, since the purpose of these cards is to make contact with the donor, without asking for a donation (Kelly, 1998). The birthday card also shows a personal touch, because the organization remembered a specific birthday. The center tours and the volunteer reception show evidence of events that involve donors in the organization, show appreciation for the donors' commitment,

and most importantly help to create lasting relationships with a wider range of donors, not only the major gift donors.

MBPCC successfully employs basic stewardship practices of sending thank you letters, newsletters, and stewardship letters; however, MBPCC still lacks structure and a true focus on a comprehensive practice of stewardship in certain areas.

### Weaknesses

#### Reciprocity

MBPCC fails to clearly define the benefits donors receive within each giving level, and use the benefits as incentives to foster growth from level to level. MBPCC uses the giving levels laid out in the donor acknowledgement plan to segment the appreciation and recognition procedures for annual giving donors; however, several of the levels share the same benefits. MBPCC's Samaritan Circle donors all receive essentially the same benefits with minor alterations from level to level, which include changing the staff members who sign the thank you letters and make the thank you phone calls. The Perkins Society levels Sustainer and Guardian both share the same recognition procedures. Similarly, the Rathbone society, made up of Patron, Benefactor, and Philanthropist levels, all share the same level of recognition. The monetary value of the gift is the only differentiating factor between some levels. If all receive the same forms of recognition, there need not be differentiation between levels within each category, Samaritan Circle, Perkins Society, and Rathbone Society.

The giving levels also need to be more than an in-house guide for sending thank you letters and cards, or a mere classification in printed materials. Burk (2003) claims that simply printing donors' names under the giving levels is not effective in the long term. The organization

needs to personally communicate with these donors and entice them to move to the next level to avoid donors getting locked into a “giving ceiling” (Burk, 2003, p. 126).

Although the donor acknowledgement plan specifies when to place thank you calls to donors and what level staff completes this task, the researcher found calls to lower-level Samaritan donors largely absent from MBPCC’s actual daily practices. It seems the call plan exists in theory, but not in action.

The donor recognition events MBPCC conducts, outside of the volunteer reception and the center tours, only recognize leadership donors. The Rathbone dinner and the ABLLB luncheon both serve to highlight the gifts of those giving \$5,000 or more. MBPCC does not hold events, which serve as appreciation and recognition events for those donors in the Samaritan Circle and Perkins Society levels. Holding events for lower-level donors shows appreciation, but also builds relationships. According to Burk (2003), “budgeting communication and recognition relative to gift size seems to make sense, but it is actually the opposite of what we need to do if we want to retain more donors and increase the average value of contributions” (p. 111).

MBPCC, therefore gives more attention to donors based on the amount of their gift, which helps to build relationships with that segment of donors, but fails to see the potential of lower-level donors to become investors and major donors. Also, MBPCC has a group of employees who give to the Partners of Hope Campaign, but the development office does nothing to show appreciation other than the listing of the employees’ names in the annual report. MBPCC needs to work to steward this group of employees and make them active in the fund-raising arm of the center.

## Reporting

E-newsletters serve as a cost-effective way to disseminate information and report MBPCC's work to its donors. MBPCC continually works to update the donor database; however, the lack of email addresses for all of their donors limits the staffs' ability to contact them using email. Although MBPCC's 2009 stewardship survey showed only 31% of respondents wished to receive information via email, as compared to 65% who wished to receive information via mail, this survey is not representative of MBPCC's entire donor base, since only 94 people responded out of 1063. Burk's (2003) study, which surveyed a wide range of non-profit donors, reported that 90% of donors use email as a form of communication, but many do not want to be bombarded by junk mail. MBPCC, therefore, needs to continue to ask permission for current and potential donors' email addresses, but put an emphasis on email as cost-saving and efficient form of communication.

## Responsible Gift Use

MBPCC fails to utilize a gift agreement form, which helps to show the organization's planning and accountability for major gifts.

## Relationship Nurturing

MBPCC's documents show that the staff recognizes new donors with an introductory letter and special thank you, but the researcher found minimal evidence of actual relationship building with new and lower-level members. According to Burk (2003), fund raisers need to focus time on those donors who lack a strong bond and relationship with the organization. It is these new donors, who are potential major donors. Andrew et al. (2008) suggests allowing younger and new donors to get involved in the organization through board or advisory board memberships. A major strength of MBPCC is its sustained group of major donors, who actively

give their time and money to MBPCC. MBPCC involves this group of donors in hosting cultivation events, but needs to utilize these donors in stewarding younger and lower-level donors. Grace (2005) suggests allowing existing donors to interact with potential new donors to encourage and build the donor relationships.

MBPCC's in-home receptions and third-party events serve as small, intimate cultivation events, but MBPCC does not employ small-scale stewardship events. The addition of small-scale stewardship events for donors within a range of giving levels will help to get donors interested and involved. According to Grace (2005), donors need to understand what their gifts achieve in the organization, in order to become engaged and begin to give at greater levels. MBPCC needs to utilize small events to fostering the existing relationship with employees who currently donate to the Partners of Hope Campaign.

MBPCC's Facebook page only currently has 55 friends; this stands as a weakness because, on-line communication is ineffective unless there is an audience and a specific public the messages seek to reach. In order for this communication tool to act as a means of reporting or relationship nurturing, MBPCC must create awareness about this page and work to increase their followers.

Donor surveys help MBPCC evaluate its current practices and improve its work according to donor recommendations; however, MBPCC needs to increase the response rate for the stewardship surveys, in order to accurately analyze the results. In 2008, MBPCC's stewardship survey received 102 responses out of a total of 1313 surveys mailed, equaling a 7.7% response rate. Similarly, in 2009 MBPCC received 94 responses out of a total of 1063 surveys mailed, equaling an 8.8% response rate.

MBPCC understands the importance of stewardship, but fails to follow through with many of its stewardship procedures due to the limitation of staff size, as well as the limitation of time. MBPCC's staff, like many other non-profit organizations, is small and cannot physically complete all the necessary stewardship tasks needed at all times. Also, like all organizations, MBPCC's budget determines the staff size and therefore, limits the ability to practice all forms of stewardship completely. "We look to the activities that we want to accomplish and budget accordingly," states Chassee; "we have to prioritize."

The fact that MBPCC mails the *Perkins Perspective* bi-annually now, instead of quarterly presents an example of the limitation of stewardship due to MBPCC's budget. The development staff, therefore, needs to organize and prioritize their stewardship activities, and allocate sufficient staff, funding, and time to complete those tasks, which the staff sees as essential to fund raising (Fischer, 1995; Keller, 2009).

### Opportunities

A major opportunity for MBPCC is its position as a leading cancer treatment center in the Louisiana, which treats more patients with radiation therapy than any other medical facility in the state (Mary Bird Perkins Cancer Center, 2009). MBPCC's locations in Baton Rouge, Gonzales, Covington, Hammond, and Houma help to provide name recognition among a range of cities in southeast Louisiana. MBPCC maintains a positive image both as a medical institution and for its work in the community, providing cancer screenings and treatment for those unable to pay for proper medical care. This serves as a major advantage for MBPCC's ability to raise funds for a visible cause.

As stated previously, MBPCC needs to capitalize on the new and younger donors in the Samaritan Circle by creating an advisory board. Baton Rouge is a city made up of young adults.

MBPCC can capitalize on the involvement of college students and young professionals, and work toward building a new generation of major donors.

Facebook and other electronic forms of communication allow development staffs to communicate with donors online, obtain on-line donations, and build relationships with a younger generation of donors. Facebook, like email and Web sites, stands as a cost-effective and efficient form of communication. Young adults may be more likely to check their Facebook page than their mailbox. MBPCC needs to utilize this communication tool to do more than update members of ways to give, but use it to build relationships. Using Facebook, MBPCC can announce informational and social events and open the door for two-way communication from the public to the development office.

### Threats

Limited staff and time stand as main threats to the practice of stewardship at MBPCC. With the uncertain state of the economy, funding stands as a problem for many organizations. Obtaining state and private grants also presents a difficult task within the volatile economic environment. Financial pressures affecting fund raisers and donors alike present a difficult atmosphere for gift requests (Hagenbaugh, 2008).

### **Interviews**

The interviews with the 15 fund-raising practitioners reveals the extent to which healthcare fund-raising practitioners, through the use of communication tactics, implement the elements of reciprocity, reporting, responsible gift use, and relationship nurturing.

### Reciprocity

Overall, the tactics the fifteen practitioners, as well as MBPCC, use to communicate reciprocity align with Burk's (2003) description of effective recognition procedures, which

include thank you letters, publishing names in newsletters and donor reports, recognition events, and gift clubs or honor rolls. In addition to these communication tactics, the majority of interviewees also periodically made phone calls to thank major donors for gifts. Two state organizations, one being MBPCC, noted its policy of making phone calls to thank a variety of donors, not only those important donors at the major gift level; while this is ambitious, the researcher found at MBPCC, this task was poorly implemented. The task of making phone calls, as found with these institutions, takes time and staff and often serves more of a relationship building purpose than recognition, due to the fact that while the majority noted the use of phone calls to show appreciation, all fifteen and MBPCC used them more as a means of keeping in touch with major donors. As Burnett (2002) stated, calls help to inform the donors and allow the development staff to stay in touch with major donors.

Only half of the institutions interviewed and MBPCC mentioned giving gifts to donors as a form of appreciation and recognition, and those practitioners focused on the importance of giving minimal and meaningful gifts that bring the donors back to the mission of the organization. These gift-giving practices reiterate Kelly (1998) and Burk's (2003) position on gifts as a means of showing appreciation. Kelly (1998) and Burk (2003) maintain the view that the gift must reflect the organization's mission and must not appear excessive or expensive.

Overall, the practitioners in this study successfully implement the communication tactics associated with gift acknowledgement and recognition as appear in the literature.

### Reporting

The 15 practitioners referenced the element of reporting most frequently in their discussion of the importance of and the practice of stewardship elements. Reporting also stands as one of the elements the 15 practitioners most commonly noted within their definitions of



stewardship. The researcher's interview with MBPCC echoes these results and notes reporting as the most important and practiced stewardship element. These results show the placement of reporting at the forefront of practitioner's minds when discussing and practicing stewardship.

The practices revealed through the interviews also evidence reporting, through the use of newsletters, e-communications, stewardship reports, and annual reports. The majority of the institutions utilized newsletters and e-communications and half of the institutions used annual reports, as well as MBPCC. Several that did not produce annual reports stated the cost of publication and distribution of the report as the main barrier to implementation. The majority of the national and regional institutions produced stewardship reports, however, none of the state institutions produced stewardship reports on a regular basis, except MBPCC. In this case, MBPCC is ahead of its state counter-parts. Also, only few practitioners employed a formal means of gathering feedback and information from donors through surveys or focus groups, although many stated that they received feedback on a more personal on-on-one level. MBPCC, however, employs surveys annually and therefore, stands as a leader in its class for reporting. Overall, the majority of organizations successfully implements a combination of reporting practices and also shares Burk's (2003) perspective that communicating results is most important to stewardship and building relationships.

#### Responsible Gift Use

Although 8 of the 15 practitioners noted using gift agreements to ensure the donor of the gift's use, 5 of these 8 practitioners work for national institutions. The majority of the institutions using gift agreements, therefore, are large institutions, which focus on major donations. Smaller institutions, however, also need to plan to steward donations with a gift agreement to ensure the donor and the institution of how the gift is to be used. Like other state institutions, MBPCC does

not currently use a gift agreement document, but the researcher includes this element in the stewardship plan.

### Relationship Nurturing

Of all of the institutions, including MBPCC, the majority of practitioners listed relationship nurturing in their definition of stewardship, as well as an important and practices element of stewardship. This shows the association of relationship nurturing with an essential part of the stewardship process and part of these organizations practices.

The practitioners' individual stewardship practices also showed evidence of relationship nurturing. All 15 practitioners interviewed, as well as MBPCC's current stewardship practices, showed the use of making phone calls and attending face-to-face meetings with donors to nurture relationships, which Burnett (2002) notes as two important ways for the donor to better understand the organization and for the organization to build the relationship with the donor. Also, the majority of the institutions held stewardship events that were not associated with solicitation or recognition, including center tours, which the Philanthropy Leadership Council (2008) states as an interactive form of relationship building. MBPCC's current structure did not allow stewardship events, outside of recognition, but did use organized tours of the center to steward donors.

Stewardship literature states email and Web sites as a form of communicating with donors and building relationships (Burnett, 2002). The majority of institutions, including MBPCC, use e-communication in the form of e-blasts or e-newsletters to stay in touch with donors. Also, 7 of the 15 participants, as well as MBPCC, noted the use of social media as a means of relationship building; however, all noted it was a new concept. This, therefore, shows a widespread use of email to communicate, but also a growing interest in social media as a means

of relationship building, but a lack of mastery and control over the medium as a whole. Also, cards appear in only a third of the practitioners' stewardship process. The use of cards, events, tours, or social media is not dependent on the size of the institution or staff; the use of each of these communication tactics ranges from national to local institutions. The commitment to each of these elements, therefore, may be dependent on the institutions view of stewardship and how it fits into each institution.

**RQ2:** To what extent do healthcare fund-raising practitioners describe their institution's stewardship practices as formalized?

For all the institutions in this study, including MBPCC, the practitioners describe only the reciprocity stage as formalized. This finding echoes Grace's (2005) steps to implementing a stewardship program, which discuss primarily ways to formalize reciprocity and recognition, not specifically relationship nurturing. Practitioners discussed the guidelines for donor levels and the organized acknowledgement and recognition procedures. Each institution marked a time period within which an acknowledgement must go out to donors, this time period varied from 24 hours to one week, but all had a system for who signs the letter and its mailing date. The state institutions noted a greater need and ability to personalize even the formatted acknowledgement letters, as opposed to the larger organizations. Although the practitioners did not specifically comment on the formalization of reporting or responsible gift use, those institutions with policies on who receives newsletter, annual reports, or gift agreement abide by a form of formalization.

The institutions with specific staff assigned to stewardship also show evidence of formalization, due to the structure of the departments; however, even with that formalization, the relationship building aspect remains left up to the individual development staff members and donor. The formalization, therefore, pertains only to the distribution of acknowledgements,

reports, and agreements, not to the personalized acts involved in relationship building. The smaller, local institutions, showed a greater amount of personalization, even in the formalized processes of sending acknowledgement letters. Smaller organizations, therefore, have the ability to individualize and communicate directly on a personal level with a greater amount of their donors, due to the nature of the close-knit communities, in which the institutions operate.

**RQ3:** To what extent do healthcare fund-raising practitioners view stewardship as an essential element in the fund-raising process?

All practitioners interviewed noted stewardship's importance to fund raising and to their institution. Institutions with an established stewardship position and or department within the fund-raising structure, however, show a further organizational commitment to stewardship and stand as evidence of the institutions' belief that stewardship is essential to the fund-raising process. These stewardship managers or teams work to organize the stewardship process, the formalization of reciprocity and reporting, as stated previously; whereas relationship building remains a duty for the front-line fund raisers. The stewardship managers serve as support for the overall stewardship function and for the fund raisers. Only in one national organization did a member of the stewardship team's work specifically involve meeting with donors to build relationships; this shows recent progress in allowing individuals in stewardship positions to directly interact with donors.

Half of the fund raisers noted that you need to focus efforts more diligently on stewarding and maintaining donors during poor economic times, while other practitioners noted that if you continually steward and manage your donors, the economic decline should not affect your donor base. Both perspectives reflect the importance of stewardship to fund-raising practitioners and to fund raising as a whole.

**RQ4:** To what extent do internal and external factors dictate the fund-raising practitioners adoption of stewardship as an ideology and practice?

The recurring themes in the answers of the practitioners, when asked about challenges to stewardship, included limited staffing, time, information, and disorganized leadership or management with regard to stewardship. Practitioners, from varying levels of institutions, listed staffing most frequently among the challenges to stewardship. Even the institutions with large stewardship staffs felt the staff is never large enough to keep up with the amount of work that needs to be done to steward donors properly. Although none of the practitioners specifically listed budget as a constraint, the other factors mentioned, staffing and time, tie in together and both reflect a limitation of budget. According to one of the practitioners, in order to be responsive in a timely manner to donors' needs, you need adequate and competent staff. In order to increase the amount of staff to allow more time for specific activities, institutions need money.

The lack of organized leadership and support for stewardship stands as a challenge to the implementation of stewardship. This finding supports the statement by the Philanthropy Leadership Council (2008), that "the single best predictor of stewardship breakdowns is the lack of visible leadership support for stewardship" (p. 5). Another limitation, stated by the interviewees is the lack of information on donors and the need for that information to produce the proper materials and reports. This limitation of resources again shows the limitation of staffing and time to research the donors and supply the necessary reports. In the area of personalization, the smaller organizations seem to have an advantage, because these practitioners can personally steward a greater amount of donors, as opposed to those practitioners in large institutions that only focus on major gifts. Practitioners from smaller scale institutions become

used to personalizing their stewardship practices to a great extent, and find it difficult to send these donors mass mailings.

## **CHAPTER 6: STEWARDSHIP PLAN**

Taking into account the document analysis and resulting SWOT analysis of MBPCC's stewardship practices, along with the examples of other stewardship programs from the interviews, the researcher constructed the following stewardship plan for MBPCC. The researcher retained many of MBPCC's current practices, but also added to these current practices in order implement some tactics seen as beneficial to other like institutions and to overcome the existing organizational stewardship weaknesses. Overall, the plan focuses on implementing the four stewardship elements of reciprocity, reporting, responsible gift use, and relationship nurturing, appropriately for MBPCC's needs.

This plan is comprehensive and the researcher is hopeful that MBPCC will implement the plan in its entirety; however, due to the previously discussed limitations of time and staffing, MBPCC's development staff must evaluate the plan to see how to best fit the new stewardship practices into their current development structure and staff priorities. Also, as evidenced by the researcher's discussions with fund-raising practitioners, stewardship often depends on the individual relationships between development staff and donors; therefore, this plan serves as a organized outline for basic stewardship practices and reference point for development staff, which development staff may alter as necessary to best fit the existing relationships.

### **Stewardship Mission Statement**

The development office at Mary Bird Perkins Cancer Center seeks to establish a meaningful organization-donor relationship, centered on trust and a common interest in lessening the burden of cancer for members of our community. In order to nourish existing relationships and foster the growth of new relationships, the development staff commits to recognizing and acknowledging donors and their gifts in a timely and appropriate manner, informing donors of

the gift's use, understanding the donor's wants and desired involvement in the center, and building relationships through effective and efficient communication.

### **Staffing**

The development services manager will over see the stewardship process, delegating certain duties to development staff directly related to the project, event, or donor at hand. The development services manager will meet with development staff bi-annually to discuss the personalization of stewardship practices for specific donors.

### **Overview**

The following plan serves as a guide of MBPCC's development stewardship practices. Certain elements in the plan may vary depending on the development officers', as well as the donors' needs. This plan, however, acts as a blueprint from which all of the stewardship practices may stem. All items in the plan denoted by an asterisk (\*) represent changes or additions to the original MBPCC stewardship outline.

### **Key Components of the Stewardship Plan**

The stewardship plan focuses on four areas, reciprocity, reporting, responsible gift use, and relationship nurturing. MBPCC must use these four elements of the fund-raising process in a cohesive and organized way, with the end goal being to build and nurture the relationship with the donor and engage the donor in the organization's current needs, as well as future endeavors. The plan outlines each stewardship element and the communication tactics associated with the execution of each element in practice.



## **I. Reciprocity**

### Gift Acknowledgement

- Gift Acknowledgement Form

Purpose: To acknowledge all direct mail, annual giving, memorial, tribute, and pledge payment gifts from \$1 - \$99.

Frequency: Within 48 hours of the development office's receipt of the gift.

Staff Responsible: Development services specialist (DSS)/development services manager (DSM)

Process:

- DSS processes all gifts, merges database information with gift acknowledgement document, and prints forms.
- DSM approves all forms and gives back to DSS for mailing.

- Gift Acknowledgement Letter

Purpose: To acknowledge all direct mail, annual giving, memorial, tribute, and major gifts from \$100 and above.

Frequency: Within 48 hours of the development office's receipt of the gift.

Staff Responsible: DSS/ DSM

Process:

- DSS processes all gifts, merges database information with gift acknowledgement document, prints letters.
  - DSM approves all letters and distributes to the appropriate development staff for signatures.
- NOTE:** The giving levels segment donors and determine which staff member is responsible for signing the appropriate letter (see Appendix A).
- Once signed, DSS mails letters.

- Phone Call

Purpose: To personally acknowledge donations of those first time donors giving \$250 and above, and donors giving \$1,000 and above to the annual campaign or the foundation.

Frequency: Within 72 hours of the development office's receipt of the gift.

\*Staff Responsible: DSM, development interns, board members, and development staff

Process:

- DSM assigns development interns, board members, and staff to make calls to individual donors based on respective donor giving levels (see Appendix A).
- Assigned intern, board member or staff reports back to DSM on the calls completed and any donor responses worthy of note about the center or the donor's wishes.
- DSM records the responses in the donor's profile in the database.

Recognition

• \*Annual Giving Levels

Purpose: To segment annual giving donors according to giving level so the development staff appropriately steward each individual according to amount of the gift. The giving levels also allow the development staff to recognize donors according to level in the *Perkins Perspective* and the annual report. The giving levels break donors down into three major categories, then further segment each category into two levels, based purely on the amount of the gift (see below). The development office ties benefits to each of the three major categories, not the sub-levels (see Appendix A).

Rathbone Society

Benefactor – \$10,000 and above

Philanthropist – \$5,000- \$9,999

Paul D. Perkins Society

Guardian - \$3,000 - \$5,000

Sustainer - \$1,000 - \$2,999

Samaritan Circle

Care Giver - \$500- \$999

Friend - \$100 - \$499

Frequency: Development staff needs to evaluate the giving levels annually in March and adjust as necessary.

Staff Responsible: DSM/ Development officers (DOs)

Process:

- The DSM keeps the categories up to date and the correct donors assigned to each level.
- The DOs as a whole must evaluate giving level benchmarks annually to determine whether the amounts appropriately segment donors into groups according to where the giving amounts fall for that year.
- DSM sends correct lists of annual donors and the respective giving levels to the communications department for printing in the *Perkins Perspective* and annual report.

**NOTE:** For the outline of stewardship practices according to giving level see Appendix A.

- \*Annual Giving Wall

Purpose: To recognize donors for their annual giving on a wall in the center.

Frequency: Names on wall updated annually in February.

Staff Responsible: DSM

Process:

- DSM will create and design a space for a panel recognizing annual donors, which can be changed from year to year.
- DSM will update the donor names annually.
- The goal is to have this wall in place January 2011.

- \*Cumulative Giving Wall

Purpose: To recognize donors who give \$500,000 and above cumulative over the years to MBPCC.

Frequency: Update as donors reach the benchmark level and enter the Eternal Flame society.

Staff Responsible: DSM

Process:

- DSM will work to develop a list of donors, who give over 500,000 cumulatively.
- DSM will create a design and designate a space for a panel recognizing these donors.
- The goal is to have this wall in place in January 2011.

### Recognition Events

- Rathbone Leadership Dinner

Purpose: Annual dinner to recognize all donors who give at the \$5,000 level and above, as well as corporate donors that give \$10,000 and above, annually. The development staff presents the D. Jensen Holliday Memorial Award to one outstanding donor each year.

Frequency: Held annually in September.

Staff Responsible: DSM/ Events Staff (Interns and Volunteers – tasks delegated by development staff)

Process:

- DSM creates invitations and with approval from CDO, prints and mails.

- Volunteers stuff, seal, and stamp initiations.
- Events make plans for venue, food and beverage, and speaker.
- DSM orders and organizes awards.

- ABLLB Luncheon

Purpose: An annual recognition luncheon for members of the ABLLB society, which includes those who gave \$10,000 or more in the form of a planned gift or an endowment gift.

Frequency: Held annually in November.

Staff Responsible: DSM/ Events staff (Interns and Volunteers – tasks delegated by development staff)

Process:

- DSS creates list of invitees.
- DSM, CDO, Foundation chairman approves list.
- DSM creates invitations and with approval from CDO, prints and mails.
- Volunteers stuff, seal, and stamp invitations.
- Events make plans for venue, food and beverage, and speaker.

**NOTE:** The development staff does not present awards or gifts. Someone from the faculty or administration speaks about current happenings at the center.

- Volunteer Reception

Purpose: An annual recognition reception for MBPCC volunteers. The development staff presents the Louis Curet Volunteer Fund raisier Award and the Hillar Moore Outstanding Service Award.

Frequency: Held annually in February.

Staff Responsible: DSM/ Events staff (Interns – tasks delegated by development staff)

Process:

- DSS creates a list of invitees.
- DSM and CDO approve list.
- DSM creates invitations and with approval from CDO, prints and mails.
- Interns stuff, stamp, and seal invitations.
- Events make plans for venue, food and beverage, and awards.

- Golf Sponsors and Volunteer Reception

Purpose: A reception for golf sponsors and volunteers at the end of the golf tournament to show appreciation for and give recognition to those involved with making the tournament a success.

Frequency: Held annually in June, immediately following the golf tournament.

Staff Responsible: DSM/Events staff (Interns and Volunteers – tasks delegated by development staff)

Process:

- DSS creates list of invitees.
- DSM and CDO approves list.
- DSM creates invitations and with approval from CDO, prints and mails.
- Volunteers stuff, seal, and stamp invitations.
- Events make plans for venue, food and beverage, and awards.

- \*Partners of Hope Breakfast

Purpose: An addition to the recognition events, this annual event recognizes all employees who are part of the employee Partners of Hope giving program. All employees in the program receive a *partners* pin to wear. A faculty member or member of the development team will speak and give a presentation of the impact of their giving.

Frequency: Held annually in March.

Staff Responsible: DSM/Events staff (Interns and Volunteers – tasks delegated by development staff)

Process:

- DSS creates a list of invitees.
- CDO approves list.
- DSM creates invitations and with approval from CDO, prints and mails/emails.
- Volunteers stuff, seal, and stamp invitations.
- DSM arranges speaker.
- Events make plans for venue, food, and beverages.

- \*Eternal Flame Induction Dinner

Purpose: A dinner for those members who become part of the cumulative giving society, the Eternal Flame. The honorees receive a small crystal flame paperweight and written and spoken tribute noting their support for the center over the years.

Frequency: The dinner does not occur annually, but only as members reach the cumulative giving threshold of \$500,000.

Staff Responsible: DSM/ Events staff (Interns and Volunteers – tasks delegated by development staff)

Process:

- DSS creates a list of invitees.
- DSM and CDO approves list.
- DSM creates invitations and with approval from CDO, prints and mails.
- Volunteers stuff, seal, and stamp invitations.
- DSM arranges speaker.
- DSM orders gift (crystal paperweight).
- Events make plans for venue, food, and beverages.

## **II. Reporting**

### **• Perkins Perspective**

Purpose: This piece reports to donors on the institution's work and the use of the donors' gifts, and tell the story of MBPCC and its patients. MBPCC distributes the *Perkins Perspective* to all volunteers and donors who give \$25 or more annually.

Frequency: Distributed bi-annually, in November and April.

Staff Responsible: DSM/ Communication staff

Process:

- DSM will consult with DSS and DOs to confirm the donors' names within each giving level.
- DSM sends list to communications for printing.
- Communications prints *Perkins Perspectives*.
- Communications distributes *Perkins Perspectives*.

**NOTE:** Development may personally mail Perkins Perspectives, and include a personalized letter for certain donors. In this case, the DSM will provide communications department with a list of these individuals, so they do not receive two mailings.

### **• Annual Report**

Purpose: This publication reports back to the donors about the financial standing of the organization and the use of the gifts. MBPCC distributes the annual report in the form of a CD to donors at the Perkins society level, \$1,000, and above. The development staff also distributes printed copies at the Rathbone recognition dinner. MBPCC places the annual report on the MBPCC giving Web site for the public to access.

Frequency: Distributed annually in May.

Staff Responsible: DSM/ Communication staff

Process:

- DSM will consult with DSS and development officers to confirm the levels of donors gift (January).
- DSM sends list to communications for printing and making of CDs (end of January).
- Communications prints and makes copies of annual report and CDs.
- Communications distributes annual report CDs (April).
- Communications staff uploads annual report on MBPCC Web site.

**NOTE:** The development staff will distribute the remaining annual reports at meetings and events throughout the year.

- E-newsletter

Purpose: To update donors on information concerning the center or upcoming fund-raising or stewardship events. MBPCC sends e-newsletters to all donors that give their email address to the organization.

Frequency: Every other month.

Staff Responsible: Communication staff

Process:

- Communications constructs e-newsletters and sends e-newsletters to all in the database.

- \*E-blasts

Purpose: As a means of saving time and money, MBPCC will periodically send out e-blasts using the email addresses of donors in the database. The e-blasts can include PowerPoint slideshows or short videos of current happenings at MBPCC as in the field of cancer research, treatment, and cancer prevention. The development staff also sends e-blasts to members of the Partners of Hope, Samaritan Circle, and President's Council periodically with center updates.

Frequency: As needed

Staff Responsible: DSM/ Communication staff

Process:

- Communications department constructs the PowerPoint and video.
- DSM sends e-blasts to specific donors and members of giving societies periodically with group updates.

- \*Facebook

Purpose: To update donors on information concerning the center or upcoming fund-raising or stewardship events.

Frequency: Development intern updates and responds to posts or messages on the Facebook page weekly.

Staff Responsible: Development Intern/ DSM

Process:

- Development intern updates information on the Facebook page and monitors posts and messages.
- DSM gives development intern information or event invites to send in the form of messages to Samaritan Circle members.
- DSM creates links to Facebook on the MBPCC Web site and staff emails.
- Communications prints a blurb about the Facebook page in the Perkins Perspective and Annual Report.

- Stewardship Letter

Purpose: Donors giving at the level of \$100 and above, annually, receive a stewardship letter, which reports MBPCC's accomplishments within the past year, and also upcoming programs and funding opportunities. Donors giving \$5,000 and above to a special funding effort receive a personalized and detailed report with notes from the physician or faculty member associated with the gift.

Frequency: Distributed annually in September.

Staff Responsible: DSM organizes and compiles the report and sends it to the CDO for approval.

Process:

- Begin process - May 1<sup>st</sup>.
- DSM constructs basic stewardship letter.
- CDO approves.
- DSM organizes other physicians to contribute to larger reports.
- CDO approves.
- DSS mails letters – September 1<sup>st</sup>.

- Stewardship Surveys

Purpose: To gauge how all donors feel about the current stewardship practices and what, if any, they would like to see more of, recognition, reporting, responsible gift use, or relationship nurturing.

Frequency: Sent annually May 1<sup>st</sup>.

Staff responsible: DSM



Process:

- DSM creates survey.
- CDO approves.
- DSS creates distribution list.
- DSM and CDO approve list.
- DSM prints and mails/\*e-mails (distribution date scheduled for May 1<sup>st</sup> ).
- DSM posts link to on-line survey on MBPCC Facebook page and giving Web site.
- DSM records responses and creates a report.

### **III. Responsible Gift Use**

- \*Gift Agreement

Purpose: For major gifts, not given as an unrestricted gift through the annual giving campaign, of \$10,000 or more, the development officer meets with the donor and outlines the specifics according to how the gift will be used, the recognition that goes along with the gift, the reports that they can expect to receive on the project and the organization as a whole.

Frequency: As the development staff secures major gifts.

Staff Responsible: DSM/ Development officer (DO)

Process:

- The DSM draws up the outline for the agreement.
- DO works through the specifics with the individual donor or group of donors.
- DO creates a record in the database of the agreement.

### **IV. Relationship Nurturing**

- \*Stewardship “Touches”

Purpose: It is important for the upper-level donors, the \$1,000 Perkins society level and above, to receive at least 5 touches annually.

Frequency: Periodically throughout the year (beginning in January).

Staff Responsible: DSM/ DOs

Process:

- DSM meets with development officers to organize specific plans for stewardship touches that best fit the donors in their portfolio.
- DO carries out the touches.
- DSM reminds DOs of opportunities for touches throughout the year.

**NOTE:** Touches include, face-to-face meetings, cards for special occasions, invitations to events, phone calls, personal letters or hand-written notes, a center tour, or any other point of contact that does not involve a solicitation. These forms of communication help to build the donor's trust and also build a friendship between the organization and its donors.

- \*Stewardship Encounters

Purpose: To build the relationship and gain a sense of whom the donor is and what their giving interests might be. Stewardship encounters involve one-on-one, face-to-face meetings between the development staff and the donor. These can either be at the donor's house, hospital room, restaurant, or any other appropriate setting.

Frequency: At the discretion of the DO.

Staff Responsible: DSM/ DO

Process:

- DO carries out the encounters.
- DSM reminds DOs of opportunities for touches throughout the year.

- Cards

Purpose: To build relationships with donors. MBPCC sends Thanksgiving cards and birthday cards to higher-level donors (see Appendix A). Other cards, sent at the discretion of the development officer, include congratulatory cards, sympathy, or anniversary cards.

Frequency: Thanksgiving cards – by November 10<sup>th</sup>  
Birthday cards three days prior to birth date.

Staff Responsible: DSM/ Development staff

Process:

- As new donors at this level enter the MBPCC system, the DSM manager updates the lists for Thanksgiving and birthday cards accordingly.

Thanksgiving:

- DSM prints list of recipients.
- CDO approves list.
- DSM prints cards/ envelopes.
- Volunteers stuff, seal, stamp.
- DSM mails cards – By November 10<sup>th</sup>.

#### Birthday Cards:

- DSM prints the birthday cards for each month.
- DSM distributes cards in the office for signatures by the development staff.
- Development staff alerts DSM to changes that need to be made to individual cards, etc.
- DSM mails cards three days prior to the birthday.

#### • Center Tours

Purpose: To highlight the center's facilities and technology, which allows donors to understand the mission of the organization and find ways to become further involved.

Frequency: Samaritan Circle and the Presidents Council attend center tours annually at a date to be named in the fall. Other groups of community leaders or prospective donors may also attend tours periodically throughout the year, as needed.

Staff Responsible: DSM/Event staff

#### Process:

- DSM works with chairman of the Samaritan Circle and President's Council to determine a date.
- DSM alerts development staff of scheduled tour.
- DSM sends invites to group members (via mail or e-mail).
- DSM gathers materials for tour group and assigns a staff member as a guide.

#### Giving Societies and Related Events

##### • \*Samaritan Circle (SC)

Purpose: To involve younger donors, who give at lower levels in the MBPCC community. The society provides an organized way for these donors to volunteer, fund raise, and socialize. The hope is for members of this group to one day become members of the Board of Directors.

Staff Responsible: Development services manager (DSM)/ Chairman of Samaritan Circle

#### Benefits:

- Membership in SC giving society.
  - Membership includes invitations to SC Soirees, Connections, and a center tour.
- \*For a full list of stewardship practices associated with this group see Appendix A.

#### Samaritan Circle Council

A council of 8 members governs the SC. One council member acts as the chairman.

#### Chairman duties:

- Oversee all activities of the SC.

- Act as the spokesperson for the SC.
- Attend other MBPCC events as the spokesperson of the SC.
- Communicate the activities, needs, and accomplishments of the SC to the DSM.
- Communicate the activities, needs, and accomplishments of the SC to its members.
- Actively participate in all SC events.
- Act as an advocate for volunteerism and fund raising.

Council duties:

- Attend all SC council meetings (four times a year – occurring one month prior to each SC Soiree).
- Attend all SC Soirees.
- Help to organize different efforts for the SC, which may include advocacy, fund raising, and volunteer, as well as different tasks, which may include communication, event planning, and recruitment.
- Assist the chairman in the planning of the soirees and other SC events.

Preliminary work to establish society:

- Development staff will select the eight council members and the chairman.
- Meet to with the council to discuss the vision and purpose of the program council members and the chairman.
- Introduce the society in the *Perkins Perspective*, on the Web site, in the e-newsletter, and on the Facebook page.
- Send an introductory letter to all eligible members and encourage these members to bring guests.
- Declare dates for the Soirees.

• \*Samaritan Circle Soirees

Purpose: To get members of the Samaritan Circle together and to get them involved in MBPCC and the Baton Rouge community.

Frequency: Members of the Samaritan Circle meet four times a year. One of the meetings will include a tour of the center. The other meetings allow members to socialize, while signing up to volunteer, help at the golf tournament or other major event, or host a third-party fund-raising event.

Staff Responsible: DSM/ Events staff/ Samaritan Circle chairman (Interns and Volunteers – tasks delegated by development staff)

Process:

- DSS creates list of invitees.
- DSM, chairman, and CDO approve list.
- DSM and chairman of Samaritan Circle create invites.
- CDO approves.

- DSM sends out invites via mail or e-mail.
- Volunteers stuff, seal, and stamp invitations.
- Event staff organizes venue, food, and beverages.
- DSM puts together materials to give to members at the event.
- The chairman discusses current opportunities to volunteer or help fund raise at the center at the event.

- Anna B. Lipsey Legacy Builders

Purpose: To recognize and steward donors who give \$10,000 or more as a planned gift or a gift to the endowment.

Staff Responsible: Foundation Chairman/ DSM

Benefits:

- Invitation to annual ABLLB luncheon.
- Names listed in Perkins Perspective and the annual report.
- Receive Thanksgiving and birthday cards.
- \*For a full list of stewardship practices associated with this group see Appendix F.

- \*Eternal Flame Cumulative Giving Society

Purpose: This society serves as a way to recognize donors for their cumulative or lifetime giving. The giving threshold will start at \$500,000. There will not be sub-levels. The goal is to establish this level as the elite giving level, but also a group of friends.

Staff Responsible: DSM

Benefits:

- Invitation to an intimate induction dinner; will only occur as more donors become inducted, not annually.
- Crystal flame paperweight gift
- Names printed annually in the *Perkins Perspective* and in the annual report.
- Names displayed on a plaque at the center.
- The members will not receive any additional perks. Their giving up to this point is due to dedication to the institution, not a desire for gifts.
- \*For a full list of stewardship practices associated with this group see Appendix F.

Preliminary work to establish society:

- Share Eternal Flame plan with the Development and Foundation Development committees for input and approval.
- Send an introductory letter to all eligible members, which include a giving report for each donor. The letter will request that the donor review the giving report and inform the DSM of discrepancies by a certain date.

- Introduce the society in the *Perkins Perspective*, on the Web site, and in the e-newsletter.
- Once the DSM confirms the names of the members and their cumulative giving amounts, compose a list of members for printing in the Perkins Perspective and annual report.
- Declare a date for the first dinner.
- Allow members to invite 5-10 guests to the dinner.

- *\*Partners of Hope*

Purpose: To recognize and steward employees who give back to MBPCC.

Benefits:

- Invitation to annual Friends breakfast.
- Friends pin to wear to work – to recognize the individual donors and to encourage employee giving.
- Names listed in the Perkins Perspective and the annual report
- Names listed on the annual giving donor wall.

\*For a full list of stewardship practices associated with this group see Appendix F.

Preliminary work to establish the society:

- Introduce the society in the *Perkins Perspective*, on the Web site, and in the e-newsletter.
- Send an introductory letter to all eligible members.
- Declare a date for the first breakfast.
- Order pins for distribution at breakfast.

- *\*President's Council*

Purpose: To educate and foster relationships between donors from the annual giving campaign, golf sponsors, hosts- of in-home receptions, and third party events, all giving \$1,000 or more annually.

Staff Responsible: Events staff/ DSM

Benefits:

- Invitation to President's Council lectures twice a year.
- Periodic e-blasts with information on current happenings at the center or with cancer research, treatment, and prevention.

Preliminary work to establish society:

- Introduce the society in the *Perkins Perspective*, on the Web site, and in the e-newsletter.
- Send an introductory letter to all eligible members.

- Declare a date for the gathering and dates for the lecture series.

- \*President's Council Lecture Series

Purpose: To educate President's Council members on technology and new issues of interest concerning cancer, as well as to build relationships between the donors and the physicians.

Frequency: Includes two lectures throughout the year (September and March).

Staff Responsible: DSM/ Events staff (Interns and Volunteers – tasks delegated by development staff)

Process:

- DSS creates a list of invitees.
- DSM and CDO approve list.
- DSM creates invites.
- CDO approves.
- DSM mails/ e-mails invites.
- Volunteers stuff, seal, and stamp invites.
- Events staff organizes venue, food, and beverages.
- DSM puts together materials for the donors.
- DSM coordinates with guest speaker.

**NOTE:** The DSM distributes a survey the group at the spring meeting to see what specific topic areas of cancer are of particular interest to them for the upcoming year.

- \*Connections

Purpose: The purpose of the event is to gather donors of different levels and ages for an evening reception to connect with each other and share the MBPCC story. MBPCC invites donors from all giving levels Samaritan Circle, Partners of Hope, Paul D. Perkins society, Rathbone society. MBPCC encourages donors to bring guests, prospective donors.

Frequency: MBPCC will host the event once a year, in the fall, on-site or at an off-site facility, depending on the size of the event.

Staff Responsible: Events staff/ DSM (Interns and Volunteers – tasks delegated by development staff)

Process:

- DSS creates list of invitees.
- DSM and CDO approve list.
- DSM creates invites.
- CDO approves.
- DSM mails/ e-mails invites.

- Volunteers stuff, seal, stamp invites.
- Events staff organizes venue, food, and beverages.
- DSM puts together materials for the donors.
- DSM coordinates with a staff member and a donor to be the guest speakers.



## **CHAPTER 7: CONCLUSION**

### **Limitations**

The limitations of this study include the limited number of practitioners interviewed and the narrow scope of fund-raising practitioners in healthcare institutions. In order to better generalize about the practice of stewardship as a whole, further research needs to interview or survey a greater amount of fund-raising practitioners. Also, to further generalize the results to reflect the actual practice of stewardship in fund raising, research needs to take into account the practices of fund-raising practitioners from a range of organizations, not specifically healthcare.

The interview method stands as another limitation. Although interviews allow the researcher to ask further questions and get a better understanding of the practitioners' perspectives, some practitioners may exaggerate the complexity or completeness of their practices. Additional research should use different methods to verify the actual practices of stewardship in addition to listening to the practitioners' perspectives. Also, the conversational element of the interview process yields a great amount of useful and insightful information about the practitioners and the practice of stewardship; however, not all of the information present in the transcriptions of the interviews was pertinent to the specific research questions stated in this project.

Future research needs to look further into the stewardship communication tactics and assess the actual success of each tactic. Evaluating the success of the tactics associated with each of the stewardship elements may help to understand which practices are truly more efficient and effective in creating and sustaining organization-donor relationships.

## **Implications**

As fund-raising practitioners come to understand the importance and the need for stewardship within the fund-raising structure, it is necessary to know not only how to steward donors, but how to organize that practice. This study re-affirms the existence, importance, and need for organized stewardship in non-profit organizations. The results from this study show that organizations formalize the stewardship elements of reciprocity, reporting, and responsible gift, but use a more personal and individual approach to relationship nurturing. The organizations' size, corresponding donor-base size, and size of gifts determine the personalization of the overall communication, and ways in which organizations chose to segment stewardship. It is pertinent then, to note that, it is not probable for all organizations to steward alike, but it is necessary for all organizations to plan and execute stewardship according to the organization's size and needs. Also, the element of reporting proved to be a common theme among practitioners' views and practices of stewardship; this should lead to further research on the element of reporting and its major role within stewardship.

Practitioners frequent mention of limited staffing and time as barrier to the successful and complete implementation of stewardship represents the widespread struggle for non-profits to balance time and energy among an undersized staff. Future research should continue to investigate the reasons for the disparities between stewardship practices of non-profit institutions of vary sizes

All institutions in this study understand and recognize stewardship's importance, and recent increasing importance; however, all organizations eagerly asked if their practices aligned with others in the study. The interviewees' inquisitiveness about the stewardship practices of

their peers shows the need for this study and for further research into the practice of stewardship and the success of specific communication tactics.

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## APPENDIX A: DONOR BILL OF RIGHTS



## Donor Bill of Rights

1. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purpose.
2. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
3. To have access to the organization's most recent financial statements.
4. To be assured their gifts will be used for the purposes for which they were given.
5. To receive appropriate acknowledgment and recognition.
6. To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.
7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
8. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
9. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

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## **APPENDIX B: PRINCIPLES FOR CREATING A STEWARDSHIP PLAN**

Grace's (2005) Principles for Creating a Stewardship Program.

1. Begin involving donors in the stewardship program with their first gift.
2. Alternate messages to your donors.
3. Allocate budget to stewardship activities.
4. Be sure the stewardship practice is appropriate to the amount of the gift and the budget.
5. Determine what kind of involvement major and planned gift donors, some of whom may be very involved and busy with other organizations and their own professions, want.
6. Coordinate stewardship and cultivation outreach, so that current donors have an opportunity to convey their enthusiasm and commitment to prospective donors.
7. Tie stewardship outreach to the organization's mission.
8. Focus on intangible, rather than tangible benefits.
9. Maintain stewardship with longtime and generous donors, even when their giving falls off for a year or so.
10. Keep all previous large-gift donors informed and part of your database, even those who make what seems to be a one-time-only gift, unless and until you hear they no longer want to hear from you.
11. Establish relationships between donors and program staff whenever possible.

## **APPENDIX C: PRINCIPLES FOR IMPLEMENTING A STEWARDSHIP PLAN**

Grace's (2005) Principles for Implementing a Stewardship Plan.

1. Form a stewardship planning task force involving board members, other volunteers, development or administrative staff member, and some donors.
  - a. Donors are a good source due to their personal experience.
2. Analyze the donor base according to the way in which gifts cluster, and establish four or five preliminary (test) giving recognition levels.
  - a. Recognition is not only step, but most visible.
  - b. Rec. is given for every year, for initial, repeated, and upgraded gifts.
  - c. Establish different levels during capital campaign
  - d. Acknowledge cumulative gifts
  - e. All levels should go to board for review
3. Assign names to the giving levels that will be easy to remember and manage.

Keep names linked to mission.
4. Determine benefits for each level
  - a. Increase with size of gift.
  - b. Corporations gifts may be more tangible than individuals - marketing perspective
  - c. Opportunities to be involved, etc. may be more memorable to donor
5. Present levels and benefits to development committee or board for approval
6. Create a stewardship plan that includes promotion of recognition levels in all donor outreach: mailings, Web site, telephone solicitations and thank-a-thons, personal solicitations, and corporate or foundation proposals.

- a. Emphasize levels are ways for donor to get involved.
  - b. Some prefer to be listed, others not, others don't want to be involved.
  - c. Give the option
7. Monitor the program by tracking the relationship between stewardship and recognition practices and renewal/ upgrade for gifts
- a. Establish baseline data for new donors and track their long-term giving.
  - b. Track donor retention after implementing programs
8. Review the program, benefits, and impact annually, and make adjustments based on donor feedback, donor retention, and changes in the levels at which gifts cluster.
9. Determine your threshold giving level and place special effort on those donors
- a. Determine where the donors break through to a higher level.
  - b. Finding this threshold, you can better nourish relationships at those levels.
  - c. Should be able to move those who give same amount every year up to the next level.

## **APPENDIX D: PRACTITIONERS PARTICIPATING IN INTERVIEWS**

### Healthcare Institutions and Practitioners to Participate in Interviews

In person interview, date of interview, length of interview

Cyndi Bassel UTSW Medical Center at Dallas, December 14, 2009, 32 mins.

Carol Bieler, Children's Medical Center at Dallas, December 15, 2009, 42 mins.

Kelly Thomas and Marcus Baker, Baylor Dallas, December 14, 2009, 58 mins.

Lynn Weill, Women's Hospital, December 16, 2009, 38 min.

Fernando Yarrito, MD Anderson Cancer Center, January 7, 2010, 1 hr. 28 mins.

Meredith Stasny, Methodist Hospital Houston, January 7, 2010, 46 mins.

Beth Veazey, Baton Rouge General, January 29, 2010, 30 mins.

Phone Interview, date of interview, length of interview

Talmadge Ingham-Johnsen, Vanderbilt Medical Center, December 18, 2009, 38 mins.

Susan O'Donnell, Cleveland Clinic, December 23, 2009, 34 mins.

Karen Anslinger, Ohio State University, December 22, 2009, 40 mins.

Charel Katz, Ochsner New Orleans, December 22, 2009, 1 hr. 12 mins.

Helene Schwartz, Athens Regional Medical Center, January 5, 2010, 45 mins.

Roger Gorman, Children's Hospital New Orleans, January 11, 2010, 51 mins.

Rebecca Dufault, Dana-Farber Cancer Institute, January 15, 2010, 1 hr. 18 mins.

Kay Barnett, St. Patrick Hospital, January 29, 2010, 36 mins.

## **APPENDIX E: INTERVIEW QUESTIONS**

### Interview Questions

#### Organization information

1. What is the scope of the institution's function?
2. How large is the healthcare institution?
  - a. How many patients does it serve?
3. What is the organization's history?
4. What is the age of the fund-raising function?
5. What is the size of the development staff?
6. Do you have a specific staff member in charge of stewardship activities?
7. How many active donors does the institution have?
8. How do you define stewardship/ donor relations?
9. Do you believe stewardship is important to the fund-raising process?
  - a. Where does it fit into your fund-raising structure?

#### Stewardship Elements

#### Reciprocity

1. How does your organization acknowledge donations? (phone call, letter)
2. How soon after you receive the gift do you acknowledge it?
  - a. Is there a specified time frame in which you acknowledge gifts?
3. Is the thank you personalized?
  - a. Is it a form letter?
4. Do you acknowledge gifts for first-time donors differently than repeat donors?

5. What communication tools do you use to recognize donors?
  - a. i.e. publish names in newsletter, letters, recognition events, gifts, awards, donor wall etc.
  - b. What level donors do you recognize?
6. Do you segment recognition by gift levels?
  - a. If so, what are the segmented levels?
  - b. What benefits do donors receive at each level?

#### Reporting

7. Do you inform donors of your organization's fund-raising success?
  - a. If so, how?
8. Do you inform all your donors of how their gift is used?
  - a. If so, how is the information distributed?
  - b. If not, how do you choose which donors receive which pieces of information?
9. Do all of your donors receive annual reports?
  - a. How are these reports distributed?
  - b. If not all donors, how do you choose which ones to send it to?

#### Responsibility

10. Do you consider the donor's wishes when deciding how to use donations?
11. Do you ever use donations in ways which do not coincide with the donor's original wishes?
12. Do you assure donors that the organization will use the gift for its designated purpose?
  - a. If so, how?

13. Do you communicate to donors about the goals and progress of the projects their money funds?

a. If so, how?

#### Relationship Nurturing

14. Do you contact donors at times other than when you are soliciting them?

a. Do *all* donors receive communication from you outside of solicitations?

15. Are you concerned with building relationships with your donors?

a. If so, how do you work on building relationships?

16. Do you personalize information you send to your donors?

17. Do you personally contact donors in any way?

a. Phone calls, face-to-face meetings

b. What level donors?

18. Do you hold special events for donors?

a. Are all donors invited, or only certain giving levels?

b. How often do you have donor events?

c. For what level of donors?

19. To what extent do you employ new technology as a means of practicing stewardship with donors?

a. Facebook, email, etc.

b. Use to communicate with donors – report?

c. Use to build relationships – spur activity?

20. Which of the stewardship elements (reciprocity, responsible gift use, reporting, nurturing relationships) do you find most important?



- a. Which do you most fully implement in your fund-raising activities?

#### Formalized Structure

- 21. Do you have a written stewardship plan, outlining stewardship procedures?
  - a. Does the plan outline development staff's role in stewardship?
  - b. Does the plan cover all four stewardship elements: reciprocity, responsible use, reporting, relationship nurturing?
  - c. Is everything in the plan currently in effect?
- 22. Do you allocate money in your budget for stewardship activities?
  - a. If so, what stewardship programming does that money go toward?
  - b. How much of your budget is allocated for stewardship?
  - c. Is this enough?
  - d. Do you plan to increase the amount budgeted for stewardship?
- 23. Do you tailor the stewardship activities to donors needs?
- 24. Does the level of the gift determine the stewardship programming donors receive?
- 25. Does the stewardship programming reflect the mission of the organization?
  - a. If so, how do you convey the organization's mission through stewardship?
- 26. Do you in any way try to assess the donors' needs or requests when addressing stewardship programming?
  - a. Surveys? Personal conversations? Feedback?
- 27. Do you involve current donors in the prospecting and cultivation process?
  - a. If, so how?
- 28. Do you remain in contact with donors who have not donated recently?

29. Do you allow or encourage development staff to build personal relationships with donors?

a. If so, how?

## APPENDIX F: STEWARDSHIP CHART

Annual Giving/ Direct Mail/ Memorial/ Tribute Gifts	Reciprocity	Reporting	Responsible Gift Use	Relationship Nurturing
\$1 - \$99	Gift acknowledgement form	(\$25 – above) – Perkins Perspective - Stewardship Survey		
Honor Memorial/ Tribute \$100 - above	- Gift acknowledgement letter signed by CDO.			
Foundation Donors \$1 - \$99	- Gift acknowledgement form - Foundation information	(\$25- above) – Perkins Perspective - Stewardship Survey		
Foundation Donors \$100 – \$999	- Gift acknowledgement letter (Foundation stationery) signed by CDO (Foundation Chairman receives a copy of letter) - Foundation information insert	- Perkins Perspective - Annual report - Stewardship letter - Stewardship Survey		
Foundation Donors \$1,000- \$4,999	- Gift acknowledgement letter (Foundation stationery) signed by CDO (Foundation Chairman receives a copy of the letter) - Foundation information insert - Phone call from Foundation Chairman or board member	- Perkins Perspective - Annual report - Stewardship letter - Stewardship Survey		- Invitation to President’s Council (PC) - Thanksgiving card  <u>If member of PC:</u> - Invitation to PC events - Invitation to Connections event - Center Tour

Table Continued

Foundation Donors \$5,000 and above	<ul style="list-style-type: none"> <li>- Gift acknowledgement letter (Foundation stationery) signed by CEO and Foundation Chairman</li> <li>- Foundation information insert</li> <li>- Phone call from Foundation chairman or CEO</li> </ul>	<ul style="list-style-type: none"> <li>- Perkins Perspective</li> <li>- Annual report</li> <li>- Stewardship letter</li> <li>- Stewardship Survey</li> </ul>		<ul style="list-style-type: none"> <li>- Invitation to President's Council (PC)</li> <li>- Thanksgiving card</li> <li>- Birthday card</li> </ul> <p><u>If member of PC:</u></p> <ul style="list-style-type: none"> <li>- Invitation to PC events</li> <li>- Invitation to Connections event</li> <li>- Center Tour</li> </ul>
ANNUAL GIVING				
Samaritan Circle				
\$100 - \$999	<ul style="list-style-type: none"> <li>- Gift acknowledgement letter signed by annual giving manager</li> <li>- Name printed in Perkins Perspective &amp; annual report</li> <li>- Name on annual donor wall</li> </ul>	<ul style="list-style-type: none"> <li>- Perkins Perspective</li> <li>- Stewardship letter</li> <li>- Stewardship Survey</li> </ul>		<ul style="list-style-type: none"> <li>- Invitation to join Samaritan Circle (SC)</li> </ul> <p><u>If member of SC:</u></p> <ul style="list-style-type: none"> <li>- Invitation to Samaritan Circle Soirees</li> <li>- Center Tour</li> <li>- Invitation to Connections event</li> </ul>
Paul D. Perkins Society				
\$1,000 - \$4,999	<ul style="list-style-type: none"> <li>- Gift acknowledgement letter signed by development officer</li> <li>- Phone call from board member</li> <li>- Name printed in Perkins Perspective &amp; annual report</li> <li>- Name on annual donor wall</li> </ul>	<ul style="list-style-type: none"> <li>- Perkins Perspective</li> <li>- Annual Report</li> <li>- Stewardship Letter</li> <li>- Stewardship Survey</li> </ul>		<ul style="list-style-type: none"> <li>- Invitation to President's Council (PC)</li> <li>- Thanksgiving card</li> </ul> <p><u>If member of PC:</u></p> <ul style="list-style-type: none"> <li>- Invitation to PC events</li> <li>- Invitation to Connections event</li> <li>- Center Tour</li> </ul>
Rathbone Society				

Table Continued

\$5,000 - \$9,999	<ul style="list-style-type: none"> <li>- Gift acknowledgement letter signed by CDO</li> <li>- Additional letter from CEO</li> <li>- Phone call from development officer or CDO</li> <li>- Invitation to Rathbone dinner</li> <li>- Name printed in Perkins Perspective &amp; annual report</li> <li>- Name on annual donor wall</li> </ul>	<ul style="list-style-type: none"> <li>- Perkins Perspective</li> <li>- Annual Report</li> <li>- Stewardship Letter</li> <li>*Additional stewardship letter for those giving to specific fund.</li> <li>- Stewardship Survey</li> </ul>		<ul style="list-style-type: none"> <li>- Invitation to President's Council</li> <li>- Thanksgiving card</li> <li>- Birthday card</li> </ul> <p><u>If member of PC:</u></p> <ul style="list-style-type: none"> <li>- Invitation to PC events</li> <li>- Invitation to Connections event</li> <li>- Center Tour</li> </ul>
\$10,000- above	<ul style="list-style-type: none"> <li>- Gift acknowledgement letter signed by CDO (Chairman of the Board of Directors receive a copy of this letter).</li> <li>- Additional letter from CEO</li> <li>- Phone call from CEO.</li> <li>- Invitation to Rathbone dinner</li> <li>- Name printed in Perkins Perspective &amp; annual report</li> <li>- Name on annual donor wall</li> </ul>	<ul style="list-style-type: none"> <li>- Perkins Perspective</li> <li>- Annual Report</li> <li>- Stewardship Letter</li> <li>*Additional stewardship letter for those giving to a specific fund.</li> <li>- Stewardship Survey</li> </ul>	- Gift Agreement	<ul style="list-style-type: none"> <li>- Invitation to President's Council</li> <li>- Thanksgiving card</li> <li>- Birthday card</li> </ul> <p><u>If member of PC:</u></p> <ul style="list-style-type: none"> <li>- Invitation to PC events</li> <li>- Invitation to Connections event</li> <li>- Center Tour</li> </ul>
Eternal Flame Society	<ul style="list-style-type: none"> <li>- Name on cumulative giving donor wall</li> <li>- Name printed in Perkins Perspective &amp; annual report</li> <li>- Crystal flame paperweight</li> </ul>	*Same as Rathbone level		*Same as Rathbone level

Table Continued

New donors (not for memorial/tribute gifts) \$100 and above	<ul style="list-style-type: none"> <li>- Gift acknowledgement letter signed by DO.</li> <li>- Introductory letter to MBPCC</li> <li>- First time donors (\$250 - \$499) phone call from development intern</li> <li>- First time donors (\$500 and above) phone call from DO or CDO</li> </ul>	<ul style="list-style-type: none"> <li>- Perkins Perspective</li> <li>- Stewardship Letter</li> <li>- New Donor Survey</li> </ul>		<ul style="list-style-type: none"> <li>- Invitation to Giving Club, depending on size of gift.</li> </ul>
Volunteers	<ul style="list-style-type: none"> <li>- Invitation to Volunteer Reception</li> <li>- Name printed in Perkins Perspective &amp; annual report</li> </ul>	<ul style="list-style-type: none"> <li>- Perkins Perspective</li> </ul>		<ul style="list-style-type: none"> <li>- Thanksgiving card</li> <li>- Birthday card</li> <li>- Invitation to development holiday party</li> </ul>
Partners of Hope	<ul style="list-style-type: none"> <li>- Invitation to Partners of Hope breakfast</li> <li>- Name printed in Perkins Perspective &amp; annual report</li> <li>- Pin to wear</li> <li>- Name on annual donor wall</li> </ul>	<ul style="list-style-type: none"> <li>- Perkins Perspective</li> <li>- Stewardship letter</li> <li>- Stewardship survey</li> </ul>		
ABLLB	<ul style="list-style-type: none"> <li>- Invitation to ABLLB luncheon</li> <li>- Name printed in Perkins Perspective &amp; annual report</li> </ul>	<ul style="list-style-type: none"> <li>- Perkins Perspective</li> <li>- Annual report</li> </ul>	- Gift Agreement	<ul style="list-style-type: none"> <li>- Thanksgiving card</li> <li>- Birthday card</li> <li>- Invited to President's Council</li> </ul> <p><u>If member of PC:</u></p> <ul style="list-style-type: none"> <li>- Invitation to PC events</li> <li>- Invitation to Connections event</li> <li>- Center Tour</li> </ul>

Table Continued

Volunteers, committees, sponsors, hosts, vendors involved in fund-raising events	<ul style="list-style-type: none"> <li>- Thank you letter signed by the appropriate staff member in charge of the event or CDO if necessary.</li> <li>- Invitation to Volunteer and Sponsor Golf recognition event</li> <li>- Names printed in Perkins Perspective &amp; annual report</li> </ul>	- Perkins Perspective		
Sponsors or givers of in-kind-donations	<ul style="list-style-type: none"> <li>- Thank you letter personalized and signed by the director of corporate giving</li> <li>- Names printed in Perkins Perspective &amp; annual report</li> </ul>	- Perkins Perspective		
<p><b>NOTE:</b> Stewardship touches, e-blasts, or e-newsletters do not appear in this chart. These practices are contingent upon the development officers' relationship or desired relationship with the individual donor and may require the donor's consent (e-newsletter, e-blast).</p> <p>This stewardship chart serves as an outline. The development services manager should meet quarterly with the development officers to redefine personal stewardship strategies with donors in the Perkins and Rathbone Societies, donors of \$1,000 or more.</p>				

## APPENDIX G: INTERVIEW TRANSCRIPTIONS

### Interview A

Thanks so much for taking the time to speak with me today. I guess I just want to start off again by getting some of the basics of fundraising in your institution. Just the basic number of staff members, age of fundraising, etc.

The mission is to provide cancer patients with the best treatment available today while developing tomorrow's cures through cutting-edge research.

How far does the institute date back?

Founded in 1947. It gets complicated. Originally it was called the children's' cancer hospital, and then [they renamed it] and started this new institute in 1983, I think...

That is fine. I just wanted a ballpark.

You can go online and read the specifics. Overall we have about 4,000 employees, supporting more than 250,000 patient visits a year.

Do you all have specific staff members in charge of stewardship, and how many?

My team is the donor relation's team and I guess it depends on what kind of stewardship, but there are 4 teams and there are different components of the teams. There are 3 people who do stewardship events. There are 4 writers who only write stewardship reports, scientific narrative reports, and there are 4 people who do donor recognition, all the signage, so that is donor recognition piece, then there is one person who does acknowledgement writing for high-level gifts and writing for the President and the VP of development. We also have trustee relations under donor relations. That is just eminence of all of our board of trustees.

How do you all, within your institution, define donor relations?

We, well it is all about the donor. Our team mission and I can send this to you if you want. It's on my board here. The passionate dedication to the mission of DF cancer institute The donor relations team exists to the life long relationships with donors by recognizing their contributions and informing them of the impact their giving has on the shared goals of conquering cancer. We basically look at it as if we are, in a corporation you have PR where you want to make sure with donor relations that with every gift that comes in every donor feels updated and invested in the institute. That they are satisfied with the care they receive.

Ok, great. Could you walk me through the acknowledgement process for donations?  
Is there a protocol?



We get over 3,000 a year, so there is a completely separate department called contribution services. Most of that is automated and most if for smaller gifts. Because we get so many gifts, so we can't hand write them. But, the acknowledgement writer on my team writes for any gift that comes in from a trustee, no matter how much, they write the letter. And for any gift from any donor of 25,000 or more, we personalize the letter from the VP of development. Then, any gift of 100,000 or more, we have the president of the institute sign it. So, all of the gifts. 25,000 or more the VP development signs and over, the 100,000 or more the institution president signs.

Is there a specific time period?

The automated one is 3 days. With the written ones, the delay is in the approval process, so we try to get them out in a week at most 2 weeks. We want to make sure they are personalized and specific so that takes some research talking to the physician and seeing where the gift went.

Are there ways you acknowledge first time gifts any differently than repeat gifts?

There are different letters, so if it is a contribution services automated letter, then I think 26 or 27 template letters, so depending on what kind of gift it is, annual fund, or a gift for the radio telethon, we have, if it is a golf gift, we have a big golf tournament. They all get specific letters. There are letters for first time gifts; there are letters for repeat donors. Everything is personalized. Acknowledgement services determine which letter to use.

What are some communication tools you use to recognize donors?

We have an annual honor roll of donors. It is a 40-page book and has about 15,000 names in it. And that is for donors the 1,500 dollars or more. They all receive a copy of it annually. And that is one piece; it has articles and photos in it. Then we have a separate publication that is called impact. And that is really um, the publication development puts out specifically and we highlight 100,000 dollar gifts in that and it is quarterly. Who receives that report? Only, I can't remember what the distribution list is, it is a list of about 27,000 people. I think it is donors of 1,000 dollars or more.

Alright, then what about any recognition events? Do you do any annual dinners or luncheons? We have a couple of different societies. We have one called the [name] society, [name] was the Greek god of medicine, and that is for lifetime million dollar donors. So if someone reaches 1 million dollars they are inducted and we do that event every other year. There is another society the [name] society; Dr. [name] was the head of the institute and a noble winner. This is for one-time gifts of 100,000 or more, but it has a term of 5 years. If you have 100,000 gifts in the year 2000 you are a member for 5 years unless you give again in 5 years. We do this event every other year, but alternate it with the other. We also do, there is an annual giving society, the president's society, and they do smaller events throughout the year. We do recognition events. We don't do personal gift events unless the gift is less than 2.5 million or more. If someone gives 5 million and wants a recognition event we will do a luncheon or dinner for 25 people. We also have a

planned giving society, people who put us in their will, and we do a recognition event with those members every year.

What type of event is that?

It is usually at a nice hotel, the 4 seasons, last year we had Bob Craft the owner of the New England pats, who is a member; we did it at Gillette stadium, which he owns. We did it there and he spoke, and a former player who was a cancer survivor spoke. It is usually a program with keynote speaker and guest speaker. This year it is at the Charles hotel that is in Cambridge. So those are pretty much the recognition events. We do some professorship events that are a 3.3 million dollar gift; we will do a recognition event for that.

Are there any other events that you do that are specifically donor relations, not making an ask, not recognition?

We used to do something called “evenings” they were basically events where we invited those with giving of 1,000 or more. We would invite some physicians or researchers to speak, and were educationally focused. But they were not getting great results so we stopped doing them. There are seminars we do on oncology or the CSO (chief Scientific Officer) forum that is scientifically based. Those are more educational type of events as opposed to recognition. Then there are the whole fundraising events that donor relations don’t do.

Do you all have anything like a donor wall on your campus?

We do. We have something called the benefactors wall, which is a wall in the lobby of one of the main buildings. It is actually 2 walls across from each other they are enormous glass panels and if you reach the million dollar lifetime giving, cumulative giving, then your name gets put on that wall. We are also opening a new building in 2011 called the [name] center and we will have three walls. The benefactor’s wall will move there. Another will recognize donors to the Mission Possible (the billion dollar campaign) and it lists million dollar donors to the campaign. Another wall will just be called the [name] center for cancer care wall and those are donors of 100,000 or more who just gave to the building.

Ok. So three walls. What are some ways you inform donors of the gifts being used?

There are 4 writers in Donor Relations that just write narrative reports. They write about 175 reports a year, which go to about 700 donors, so one multiple myeloma report could be 40 pages long, very intensive, talks about all the research going on, but it might go to 50 donors. There are other reports, someone gave 1 million to a specific research initiative project and it can only go to one donor, so that is pretty much the individual side of it. Making sure that anybody...donors that give 50,000 or more to specific funds or initiative get reports.

Are there any type of smaller or more generalized reports that go to a mass group of donors?

We do a milestone, well the development marketing does it, and it is a publication that goes out once a year with milestones of the institute, highlight research from the past year, clinical highlights that are the significant “in the news” things. Impact for recognition. Um, those we highlight specific gifts. I have an article about the family and why they gave the gift, why it is important to them.

Do you send any newsletters electronically?

We do, the board of trustees gets a monthly enewsletter and update of what is going on. Save the dates for events that have happened. We do a smaller council called the leadership council that is about 115 members. They get a newsletter twice a year, electronic newsletter. Those are the 2 newsletters. Then different physicians might have publications they send out electronically.

And, what is the role of the leadership council?

Their role, they are basically a group of 115 people and through advocacy, fund raising, and volunteerism. It was started about 10 years ago and was meant to be a feeder group for the board of trustees. It is meant to be a governing board. They raise about 500,000 a year and mostly “young” we use that loosely. A group that is very active in the Boston Business community and the industry across the board and what they do for a living and they are just really starting their philanthropic careers. It is an introductory council. They actually had an event last night, where members could come and bring new people they wanted to introduce to the council, a cocktail party. It is run through donor relations. It is the only direct fundraising piece we have.

What about annual reports?

We have the annual honor roll. Which is once a year. So the donors that have this endowed fund, we do once a year send them a financial report, this is the market value of the fund, this is the gain, this is the loss, this is what was distributed. So we do that once a year.

I am sure, and this may not fall under your specific area, but as far a gift agreements and making sure the gift is used for its designated purpose. Are there ways you assure them the gift will be used correctly?

We have term agreements, when someone makes a pledge of 100,000 gift services drafts a gift agreement. Where it is going, how much, who manages the fund, how they will be recognized and that’s the terms and they sign them and then yeah, its pretty much, we do the best we can. Once the whole research administration department makes sure the money is actually the designation that the donor wanted. We don’t want someone to say I am giving someone 100,000 to give food at the cafeteria and the next thing it is being used to buy TVs for offices. Although we write the agreements we don’t monitor it, each department does.

My next question is, what are some ways you contact donors personally, without soliciting them? And I don't know if that falls under your work or the development officers? Like personal phone calls...

Mostly that falls to the physician and the front-line fund raisers or annual giving or prospect managers in individual giving might just call up a donor to say hey, heard your daughter got married, just wanted to say congratulations. And that is the part of building relationships, so when you do come to ask, the donor feels close to you. It more happens with the individuals, than corporations, they don't want that relationship or come to meetings or face-to-face time. Gift planning does it a lot, because usually the older group does that a lot. So that is about building those relationships, annual giving on the other hand, the gifts are smaller, and there are too many donors.

Ok, great. Let me see, are you all getting into the new technology, facebook, MySpace, those things.

Our development and marketing team mostly handles that, we are on facebook we are on linked in – we are on twitter, MySpace, but that is not really taking off. Yeah, we are definitely; it's a big market out there.

So, is the goal for that to raise money on-line or networking?

It is a combination, building community, and a way to spread the news, a lot of people use it to say hey, don't forget about this event. Then everyone that is a part of the group has this instant message, which ultimately leads to fund-raising.

The different areas within stewardship or donor relations, like reciprocity or responsible gift use, reporting or relationship nurturing. Do you find one is more important than the other? I know you have it segmented well, but is there emphasis on one over the other?

No, if they don't all work in collaboration, it doesn't work. IF you are not acknowledging the donor, you are going to make them mad, and it really all has to work together to work. And it has to work in collaboration with the relationship that the prospect manager is managing. If we do something wrong, it affects their relationship, if they do something wrong. It really all has to piece together in order for it to work well. There is a whole donor relations cycle, where the prospect manager asks for the gift, they get the gift, we acknowledge, update, all the while the prospect manager is maintaining that relationship, so when the ask comes again, they are ready to give again. So it goes around in a circle.

So do you feel you are able to tailor your donor relations to the donors needs?

For the most part, but that's why we have giving levels, but that's a good problem to have, we can't write a narrative report for every 10,000 gift so we do it for 50,000 or more. You know, that is why we go for 25,000 personalized acknowledgements. We do the best we can with the people

we have. Yeah sure it would be better to personalize all and pick up the phone after every gift, but there are those donors that don't expect that, they expect a letter.

Are there any things that you all do to assess the donors' feelings or needs? Like maybe a survey or any means of feedback that they can give you all?

We have tried with regard to the narrative reports, because so much time is invested in them. If we don't ask the prospect manager to call them and ask them what they thought, was it too long, etc. We struggle with getting that feedback, but we have not heard anything bad. But if we make someone mad, we got a call from someone that got an automated letter, and she received a letter telling her about the donations given in her name. She thought the word, I was pleased to know, was too positive for someone who lost a mother. So we changed the letter. It was something simple but we don't think about it until someone tells us. We try to solicit as much feedback as we can, but we don't do it formally.

Do you give any form of small tokens or gifts to donors at certain levels? Do they receive a plaque?

We have our signage standards. The current campus, not the new building, is the lowest amount that you get a plaque is 100,000. I think 25,000, um, so then that includes the new building. For 25,000 you get a 4x6 plaque, for 50,000 you get a 5x8 plaque for 1 million, you get a 10x18 plaque. So there are those signage rules and recognition policies that are specific. To nothing below 50,000, but then it goes up from there. Um, as far as what publications you get mailed and like I said before, you can't have a reception or recognition event unless the gift is 2.5 million or more. So, guidelines like that.

Do you feel that the donor relations you employ effectively transfer the mission of the organization that you are bringing donors back to what you are doing there?

I like to think we do. Again it is a good problem; there are so many donors. Cancer is just one of those things where, it affects so many people and it affects new people everyday so it is different from a regular institute, or medical center where you can have your baby there and then not be associated for 10 years, you didn't save their life, or what ever it is. Everyone here is a grateful patient, every patient that comes here; you are saving their life. Even if you don't survive the connection that family members have. They are here everyday for a year, or months, they get to know the nurses and the doctors, there is not a whole lot that we need to do to make people give, which sounds weird. It's a different kind of thing, it's like a children's hospital.

In the past year or so, with the economic downturn, if you have had a problem with losing some donors.

Yeah, definitely.

Do you continue to send them information?

Um, yeah, that is definably we have been affected like everyone else, there are people that owed pledges that couldn't make them this year, because they lost, but with the exception of 2-3 said they cant make it this year, I'm not reneging on my pledge, but I need to spread it out. There were a few that lost everything with Madolf. There was one that owed us 700,000 and we took that away, we are never going to get that money. We were hearing people say, you know don't take me off of your list, I can t do it this year, but definitely check back with me next year. There have been very few people that say I am reneging on my pledge, that say I'm going to spread it out our check back next year. Some are just giving less. For annual giving instead of 1,000 they are giving 500, but they are still giving, so we feel good about next year when things are better.

Ok, and also, have you seen an increased importance in donor relations with the economic decline? Has it become any more important to build these relationships?

We always thought of it as important, and we haven't done anything differently because we do not really need to and we are fortunate in that respect. We haven't had to lower any of the guidelines for which we write reports to, which we acknowledge. It is not like we lowered the giving levels because of the drop. It is hard to gauge, with the end of the campaign, we weren't expecting to get this much. The numbers they predicted we would bring in have remained the same.

Ok, I think you answered all of my questions. I meant to ask you earlier, how long has there been a donor relations department?

Our senior VP has been here for about 12 years, I know there has been one since she was here, but I am pretty sure there has always been one in some capacity. Donor relations itself has carved itself out to be its own little department, 20 years ago, mostly it was the frontline fundraisers doing the stewardship, until departments started to realize they needed to dedicate specific staff time to it. So, now it really is just like gift planning, which is really like its own service unit.

Some other organizations are just starting to put specific staff members in charge of that function, and I was just curious.

Most small shops can't afford a separate department; they have the individual fundraisers do it. Again, we are fortunate that we can dedicate time to it. The fundraisers need to focus on fundraising and that is what carves out a different department on stewardship. We are unique; you have to find other large places that have departments like this.

## **Interview B**

I guess first could you just tell me a little about your organization and the fundraising arm within the organization and your role?

The center focuses on Cancer, Critical Care, Heart, Imaging, Neurosciences and Transplantation – and our supporting programs are key to providing science-based and individually tailored patient care to people in [name] and beyond. Also positioning us for advancements with personalized health care is our new Biomedical Research Tower (BRT). This impressive structure nearly doubles the amount of biomedical research space at the Medical Center.

Center Facts:

Overall our staff is more than 13,000 people. 57,550 patient admissions; 4,385 births; 924,760 outpatient visits; 103,290 Emergency Department visits; 15,252 inpatient surgeries; 16,253 outpatient surgeries

The college was established in 1846, but the medical center in 1992.

For the medical center development office and alumni affairs, that includes our fundraisers for our cancer program, our cancer hospital and research institute, our college of medicine and our university hospitals. Our development officers are such that we have a cancer group that fundraises specifically for cancer and the other folks are spread out by disease area. We have a couple of folks designated to the neurosciences and one person who fund raises specifically for heart. Another person will specifically fundraise for women's health, another for scholarships, and everything else just falls where it does, whatever is not in those buckets. Tell me if I am going too fast.

No you are fine. Ok.

That group consists of our fundraising team, I want to say, 25 people and that would include our alumni affairs office and then we have an associate VP that we all report up to. Currently we have someone serving in that interim role. Our stewardship team consists of four individuals, I am the director, I have two assistant directors and we have an administrative assistant.

How long has the stewardship branch been in effect?

Actually I was the first hired into do stewardship for the med center in 1989. At that time it was just myself. It has grown over the years, and could obviously afford to grow more. As it is, we have three stewardship officers, myself, the two stewardship directors, and the admin that supports the department. We too are broken up into disease areas. One of my assistant directors supports primarily cancer, and the other supports neurosciences and scholarships, and I have heart and everything else, corporations, foundations, surgery, women's health.

How do you define stewardship?

Um, I'd say we define it by, through the vehicles of recognition, both through acknowledgement letters for individual gifts, as well as some permanent donor recognition site, or even recognition via a luncheon or a dinner. Also, it is our responsibility to report to donors on how their gifts are being used. So, I guess the accountability of donor's gifts, and the acknowledgement process.

Could you tell me about the acknowledgement process and the protocol for responding to donors after you receive a gift?

Sure. Well we have tried to set as our standard is, first of all we acknowledge folks into two groups. We have a letter that goes from our head of the medical center, to everyone that has given to the medical center except cancer. Anyone that has given to cancer receives a letter from the CEO for cancer. Within those 2 buckets, we acknowledge for gifts of 4,999 and down, they get an electronically signed letter and for anything 5,000 and above we try and personalize as much as possible.

Do you all use any type of giving levels or giving clubs to segment donors by how much they give?

No, we don't in the medical center. We used to have a giving club but did away with it sometime ago.

Do you acknowledge first time donors differently than repeat donors?

We didn't used to, but now that our annual fund has taken on more of a role in the medical center, we are starting to acknowledge those donors who have been newly acquired or responding to direct appeals, specifically. Some of those could be new donors or those we have acquired back into the system.

Could you just tell me about some other recognition tools, we use to recognize donor's gifts, printed names in the newsletter or awards or a permanent donor recognition display?

We have one wall in the college of medicine that recognizes specifically scholarship donors. We have one for the heart center, whom we recognize for gifts to either the heart hospital or the heart and lunch research institute. We have a recognition wall in the Cancer Hospital that recognizes those donors. We have one in the main hallway of the hospital that recognizes gifts to anywhere in the med center. We have one other that recognizes a specific facility, research facility that folks helped to establish.

Are these walls the type you update continually, are they cumulative or annual giving?

That has been the challenge to update them. Each of the walls, take for instance the wall in Rhodes hall, it is from cumulative \$50,000 and up, and there are four different levels above that. \$50-\$100 and \$100-\$5000. So it is catching those people that give additionally that move them from one panel to the next and that is just a really challenging time and human resources and money budget.



What are some of the ways you report back to the donors on what their gifts are doing?

What we did last year is, we reported to all million dollar plus donors and on top of that, we reported also to any donor who had established a chair or professorship. Currently our chairs are at 2 million, and the professorships and endowed funds are at 1.5 million, however, for folks who have established one of the 2 funds early on it could have been a 500, 000 dollar gift. So specifically with chair, professorship donors we work with that doctor and ask them to put together a letter specifically for the donors, so we have a living family member with an update of what their accomplishments have been over the last physical year. We include that with a pamphlet from our CEO of the medical center. Now for the donors that didn't have endowed professorships, we have a lot of donors that cross over, that give to cancer, heart, and neurology. We pulled our information such that we tried to report on their top 5 giving areas in the med center only. If they had made a gift to heart and athletics, we just reported on heart, since athletics' is not medical. At the time we reported financials, their market value, income distribution and projected income allocation. We did a brief synopsis of the endowment, what is was to support and then we contacted all of the gift officers for all of the funds and asked how those gifts had been used, and we put that together in a 2-3 paragraph paper and had those nicely printed and bound. They all came with a letter either from the CEO or the cancer CEO. This year we are going to do things a little differently because my group is in a planning meeting between 11:00-2:00 or 3:00 this afternoon to talk about how we are going to be reporting now. University development, we are a sister arm of university development. This year, they undertook the laborious task of reporting to all endowed donors on their financials. So because we used to have an annual report from the treasurers office called cornerstone, it was done away with a couple years ago. We were hearing feed back from donors that they were missing that. I should say, what precipitated that was the task that happened before that and that was, we did stewardship surveys, to several hundreds of our donors and there was a strong consensus they wanted to know how gifts were being used. So university development is now reporting on the financials, annually they will continue to do that. So we will take that piece out of the medical center report and start reporting on the impact of the gifts.

The stewardship surveys – is that something you will continue to do?

You know I am not sure. That was a centralized effort and I think what our CEO VP of development wanted was to find out before going into the next campaign, how our donors feel about us now, so we know where we need to go, but I would not doubt that yes, in another 2-3 years, we would do the survey over again, but I have not heard it is something we will continue to do annually.

Do you do any type of gift agreement – to assure the donor that the gift will be used for its designated purpose?

We are required to do gift agreements for any gift of \$10,000 or more and that pretty well specifies how the gift is to be used, what the payment plan is, it lays that out. It also talks about what the donor can expect from the university, appropriate recognition, appropriate stewardship

reports, perhaps and article published in one of the med center publications. Once we get a good web presence up, maybe something published on the web.

Um, could you tell me a little about the information in the newsletters for the donors or stewardship events?

We don't really do a newsletter, we would like to do one, but don't have one per se. We have a magazine that comes out of the medical center called discovery, and it is really more of a medical journal that talks about faculty, what they are doing. We have a couple of pages we use for development to tell donor stories and talk about the impact of a donor's gift. For chair and professorships, when a faculty member is newly appointed we hold a small reception for the faculty member as well as the donor and their families and some key medical center, development, administrators, as a way to recognize both the donor and the faculty. Then we present a framed endowment description to the donor and we either do the same to the faculty or we just recently had a white coat put together with the name of the chair on the coat. Sometimes we take pictures from events and frame them. We have a really nice frame place not too far from us, that does some really unique framing. We will also put a plate, brass plate inside the framing that shows the recognition or the date that so-in-son was recognized or received the endowed chair. We do ribbon cuttings, we just recently had a gentleman make a commitment for billion dollars for a simulation lab in his wife's memory. We had a reception for him and we brought together, really rounded the troops, had 35-40 students there and had a short program from our dean from our CEO, from our vice Dean of education. We had some framings that we gave to the donors and his family. The donor gave us a photo of his wife and we blew it up on a canvas and put it within the space he named with a plaque below it that talked about her legacy she was leaving. There are special naming of the elevators where people go down to the named space. It was really a great event. The donor was just blown away. He is one of those wonderful donors that says, you give me more gratitude to give this money to do. When you bring somebody to tears for giving you a billion dollars, then, my gosh, it is so worth it and puts everything into perspective.

Like you are saying its important to give meaningful gifts to donors.

That is what we are trying to do a better job of, getting to know our donors better, so that we can provide recognition or stewardship that is meaningful to them. It is not a package deal. Not everyone wants a pen or purse, baggage holder. You have to find what they are passionate about and come up with unique ideas.

As far as some of your things you do on a daily basis, do you have a protocol for contacting them other than solicitation, make phone calls, or face-to-face meetings?

We do, um we try and work more and more with our development officers so that we become more of a presence with them, that they will take us to meetings with donors. So we can be on the front end, than on the back end. I have I think because of my longevity. A lot of donors know me and will call me. And say hear is my gift, we will go to lunch, or whatever the case may be.

Then certainly I try to make sure that my two assistant directors are involved in any stewardship event they do. I make sure they are at the event and interacting with the donors and other faculty and administration.

Would you say the primary contact between donor and development office is between development officer and donor?

Yes

Yall are support for the development officers?

Yes, all of our donors have a prospect manager, whether it is the medical center development officer, the prospect manager, or someone from principle gifts or within another unit. So, that development officer has the key relationship with that donor, so we know that before we contact a donor, especially before an ask, but for protocol, when they are being invited to something, we see who the prospect manager is. Actually another thing we started this year, our CEO and his wife have opened their home 2 times a month to have donor dinners in their home. It is really nice; they have a table that seats 10 comfortably. Although we have pushed it with 12, it is a nice way to have the CEO and 304 couples, a development officers, a researcher or faculty member who is doing work in their area of interest.

So they can sit in a pretty informal setting and visit and get to know the donors.

Do you mix current and potential donors?

We do, yep. Not always purposefully, but sometimes it turns out that way.

Are there any ways you are employing new technology to practice stewardship or fundraising? Even as far as email, Facebook.

That's a good question. I guess the one thing we have done specifically in stewardship recently is in lieu of a scholarship reception this year, we sent out an email blast to anyone that had given to a scholarship fund and we attached a PowerPoint that was about 14 slides long, maybe a little longer. It was a thank you from the students. On one slide it would have a quote from the student and it talked about what the scholarship meant to them. IT would have pictures of the faculty, students and their parents, or something. So that ran with the alma mater song here. It was an easy way to get to about 500 donors, where in receptions we are lucky to get that many.

We are trying to get more of a web presence. What we are sorely lacking at this point, is that the medical center has a Web site, but it is a matter of developing some pages for development that can talk about donors and the impact of giving and what it means for them to give back and what it means for the researcher they are funding. So it is very much a work in progress.

Do you all use a database to keep track of donor records, to keep track of information?

We have one we log into centrally. It is a homegrown system. But we just signed a contract with Blackbot, and we will be using them, hopefully in 18 months it should be installed and pretty much up and running. We are on the way to a new advance the system with Blackbot.

Um, lets see, do you have a formalized laid out stewardship plan that outlines your procedures, on a case-by-case basis?

Um, I'd say a little bit of both, we do have some protocol and policies in place, but is it tidy in a notebook, no. It's out there on the shared drive on the computer. We did a couple of years ago, put together a plan for where I thought the stewardship plan needed to go, as far as setting some metrics. So we did put together a plan that talked about how we needed to improve the turnaround time of thank you letters. And stewardship reports, we want to be able to do X amount in the fiscal year.

I guess, I don't know, since you are your own area of stewardship, your budget segments money towards stewardship – Do have money specifically allocated to stewardship activities?

We do, I don't know the exact amount. We have a line item within the budget for stewardship, so it can cover what it costs to produce a report or these dinners, and so forth.

One other thing, how do you all try to maintain contact with donors that have fallen off over the years, or not donated recently? Do they remain part of the system?

Well, they always remain a part of the database, but the donor database, is actually a universally wide database, so anyone that has graduated from here or has made a donation is in the database. I would say, they way we keep donors involved who have fallen off the radar is hit or miss at this point. I think now that our annual fund program for medical center is taking on more of a presence that is when hopefully we will get back in touch with some of these folks that have fallen off the radar. I think our plan is to send stewardship reports to planned giving donors. It has taken a long time to get around to that. Whether that is useful or effective or not, and I just feel strongly enough that it is. So I have taken it upon myself to say I am going to do planned giving stewardship reports by end of fiscal year 10, to if nothing else to let the donors know they are still out there, here is the gift. Here is what we have logged into the system, you have bequeathed to us, what your trust is, hopefully bring back some of those donors to get involved to update their info, increase their planned gift. I don't know maybe they will be ticked off they haven't heard from us. I hope not, but that is a group I think has been sorely overlooked. The only thing I can think of university wide is that we have is a legacy society. That is run through our central planned giving office. And they try and invite all planned donors to a luncheon and have a key speaker. Which is great, and it keeps people involved, but stewardship reporting aspect, and although there is not anything to report on their gift, there is still so many awesome things happening here at the medical center that surely we can come up with a page of accomplishments to send to the donors, just hey wanted you to know here is what we have been

doing at the medical center. We hope maybe some will come in as annual donors. Maybe they will want to give annual to see their gift doing something as well as keeping their planned gift.

Since you have been doing this, have you seen any changes or an increased importance of stewardship due to the economic downturn?

I have seen an increased importance and I think that was first evidenced by the stewardship survey that was one way we knew we would reach 100s of donors who hadn't heard from us and maybe some in years. And it took a lot of the development office to do all of the surveys. It was a relatively inexpensive way in which to reach the donors. Instead of us trying to pull together events for the masses – instead we are putting our in donor reporting and telling the donors the impact of their gift.

What are some of the challenges you face in implementing stewardship?

I would say, staffing and time. It would be our desire to report to many more donors than we're humanly able to do given the depth our reports have. Another challenge is the lack of web presence we have and the hoops we jump through in obtaining email addresses for our donors when wanting to send stewardship news or a publication via a blast email.

Of the four stewardship elements, reciprocity, reporting, responsible gift use, relationship nurturing, do you feel one is more important than the others, or is there one you implement more frequently?

Our stewardship officers spend at least 50% on reporting vs. other areas mentioned below. We have another staff member that assists with responsible gift use and our development officers do much more relationship nurturing than stewardship officers.

Well I think you have really answered most of the questions I have for you today

## **Interview C**

Facts:

Founded in 1921

2,000 Physicians and Scientists

4.2 million patient visits per year.

First off, could give me an overall view of your organization and stewardship's role within that, as well as your role?

Let me tell you about how we are structured. We have in our staff here, we have about 105 on our staff and probably about 45-47 are frontline fundraisers they have the majority of the development officers for different medical areas, heart, urology, children's, sit within the medical areas, which allows them to build relationships with the chairman and secretaries in those areas. We have an executive team structure, we have two vice chairman, four associate chairs that

oversees directors and so the secretaries...but we also have people in charge of corporate relations, foundation relations, annual fund, gift processing, all of that. Um stewardship is kind of interesting. I thought well if we could wait a couple months. Right now, in our central development and our development program we have stewardship and donor relations person and we have two, their responsibility really is to produce endowed chair reports and work with the development officers and treasury to get financial information. Part of stewardship and donor relations, we have a huge one every year, which is the 1920 society which is all of our million dollar donors, we create a commemorative book and have dinner with the CEO. It is every other year. It is a big expense. We have a lot of million-dollar donors and we kind of blow it out. Now, so that is the program side of it. Then we have stewardship with the corporate foundations and they have their own database. We send for our fundraising database, and there is a great shop within there and they do all of the recording of corporate foundation grants and gifts. His office has a hard deadline of reporting. So, there is a woman there that manages that stewardship effort for corporate foundations and everybody knows that if you do get a grant or you don't get it, you should send a copy to that department. So there is that, and the third piece is underneath our vice chairman, he oversees ... they have two chairmen and we do a stewardship effort to go out and touch those people in the society that say they will leave us in their will. We have a woman calling upon these folks, keeping them engaged in the clinic. It is a great form of stewardship and it is also a great way to keep the clinic in the forefront in their minds. But finally, I will say that we have, so we sound scattered but there are different pockets. In 2010 we are hiring a senior director of stewardship and because we are so big, development officers, and our donors are sometimes give to multiple areas one of the things we want to see the director focus on is coordinating all of the stewardship efforts in different areas and look at our top donors and see that Susan may give to cancer, children's, and heart, so this is the way to really hone in and focus on one report or one visit to campus to say, let's take a look at all of these areas. Also, some of our top 5 donors really 100 to 70 million, be sure that there is always an ongoing plan for them and a way that we continue to engage the family or a next generation. The generation of transformational gift, so there is that too. Right now, it is not lost, because those that are assigned to these folks are doing stewardship, but if you have someone focused on that it would be better. So that is where we are. We don't have one specific stewardship team, but it is in various areas because of all the areas, corporate foundation, societies, and planned giving.

So if you could give me an overall definition of stewardship as you see it within your structure?

I would say it is a way to get to, talk to donors that have already given or contributed to the clinic and a way to further engage them, thank them, let them know how their money was spent. Uh, first and foremost, to continue to engage them to take them back to the whole circle, to cultivate and solicit again. What we want to see is that it is not only thanking your donor, but also keeping them updated about what is going on at the clinic; to keep them in the circle.

As far as showing appreciation to donors and acknowledging their donations, what are some ways in which you do that? Do you use letters, phone calls.

That is something we will be working on. We do have the structure with the endowed chairs and then the other ways that people recognized are the 1920 society, the medallion society. We started off our 1.25 million dollar campaign, really started as a capital campaign for the heart and vascular and so that the guy in .....

Our donors that contributed to the heart capital campaign, so that is another society, we also have partners and philanthropy. We invite hundreds of our donors to come to the clinic and we have one or two of our physicians, we also have life surgery broadcast to the conference center, and you know the surgeon is talking while they are doing the procedure. So that is an opportunity to engage a large group of donors. But more individual basis, people, some of our development officers are scheduling monthly meeting with the physicians, chairs, and will say I have 5 names for you to call and they will sit in the room with the chair and have them call to say thank you for the gift, happy holidays, or what ever it may be. We send birthday cards to donors, and then we do a lot of site visits, a lot of 6 months to a year, inviting them to come here and have lunch with a physician, if it is a monumental gift. If they want to see the lab or the building they contributed to. So that is a way of getting that personal contact.

How do you determine who to send the birthday cards to?

They send them to Pyramid society. Other people do it on their own depending on the development officer and their relationships.

Is there anything that you all do to recognize first time donors any differently than repeat donors?

For the first time million-dollar donors, it could be cumulative, it doesn't have to be one million...we acknowledge them with the 1920 society dinner. So only those being inducted get one of the beautiful books. The book is an actual bound book. Each page has information on the new inductees, a picture and about them. It is kind of special and honors them. That is probably our biggest recognition that we do.

Are there other ways you publicly recognize donors, through the publishing of names of donors or donor walls.

Yes, we have two donor walls right now. Our new heart and vascular institute we have a donor wall there and we have a tower where there is a donor wall there. The names are sketched on glass. We don't do old school plaques, and then, with the donors we have the catalyst, which is our philanthropy newsletter and a lot of times we will do donor stories in there about the gift and why they made the gift. We also have the magazine and we recognize donors in that and these are mailed to ...um I can get the numbers, but it is a huge mailing list. Then we recognize donors on our Web site as well, our giving page, different stories. Of course in the annual report at different levels. It is interesting locally in our paper, we used to be able to get million dollar gifts a story written pretty easily, but over the past couple of years it has been rather difficult. They may not pitch it if it is not 2,3,4,5 million.

That's interesting.

But, we are able, we have a great media relations team and they position different gift stories.

Do all donors receive copies of the newsletter or the annual report, or only certain groups?

Pretty much all donors, off the top of my head, I think it is annual giving of 10,000 plus. All the hundred dollar checks we get, probably not, just with the cost of the mailing. But I think it is 10,000 plus. I can send you copies if you would like to see any of these.

I don't know if that is necessary for this study, but thank you. Let me see, oh, do you do anything as far as annual stewardship reports to donors.

You know it is on the chairs, and we are trying to begin that with the endowed funds, there are so many within each medical area. If we talked a few years from now, it might be different, that is what we would like to see. Some structured, mandatory, but also each donor is unique – but some kind of standard, every year or 6 months there is a phone call, site visit, or report.

Do you all use a gift agreement to show that the gift will be used responsibly?

Yes, we have one for individual giving and we developed one...I used to do fundraising for 5 years, and in corporate relations we developed a corporate gift agreement, With all the conflict of interest, we do approach our vendors, but as long as they are not in contract negotiation, as long as we are not talking to their sales person, but their corporate philanthropy. There is specific language that says it is not quid pro quo.

You kind of touched on this, but, what are some ways you personally contact donors, other than times of solicitation, either through phone calls or face-to-face meetings? You said having the physicians call them or tours.

I would say either through these are for donors who have made their gift, we have the doctors call, the development officers make calls, we have different events around the campus that our donors are invited to that the development officers may follow up with a personal call to see "it would be great to see you attend." We have Ideas for Tomorrow and Our CEO has structured these amazing meetings that bring in different speakers, CEOs. These opportunities are open to the masses, but it is limited to 500 people. But it is a way to call out to our donors to say, I think you would enjoy this. Sometimes we have donors in cities like NY, LA Chicago, or Michigan host a cocktail reception, so that is a way to do great stewardship who has made a gift, 2 or 3 and host an evening and they can invite their friends, and we can invite other grateful patients, or people in the area, and we bring an physician. It is low key and a nice stewardship opportunity.

Could you tell me a little more about some of your major special events. You mentioned the one for the million dollar donors, but what are some others?



For stewardship, really the 1921, then the medallion society, and they are every other year, both of them. Typically, our CEO speaks, one of our top donors, an honorary chair speaks. SO it is higher-level folks. The partners of philanthropy is another special event in the past where we have had the huge conference center, where there is a surgery or someone speaking about research or what is on the horizon. We also have a breakfast attached to that in the morning for all the endowed chair donors. And so, they have a talk from our chief of staff doctor and then the physicians in those medical areas, the chairmen, if they are not the chair holder and the donor. So it is a nice way to bring everyone together to say thank you. Other than that, we have a program called patients plus, I could send you information on this. It is for our top donors and they have an number they can call for concierge or patient services, if they need help scheduling appointments, many folks are coming from out of state. A lot of people are international we have interpreters to help them get around. We have people that are in patient services. They will meet them; walk them to their appointment. And they get cards, like all of our 1921 million dollar donors plus get a patients plus cards, and they can use that to park as well. I almost forgot about that. That is a big program.

Then, is there anything you all do as far as using new technology, e-newsletters, or Facebook?

We haven't developed it in particular, we haven't gotten into social media. We are getting ready to launch an intense electronic fundraising campaign in 2010, early 2010. So that will be incredible to reach out to our donors and those that are not donors.

So how are you planning to do this, through your Web site?

Yeah, we are contracting a third party to design and create the database of the emails and the system. So actually it won't be, you know what, it might be its own portal not off the clinic site, a separate link. So it would be a way for us, to , because right now we do have the e-catalyst, that goes out via email blast. So that is nice. A lot of people like to receive that and it is very easy to read and it is very clean.

Do you find it hard to gather email addresses?

Yeah, we do. It is kind of funny, because it has never been a real big push to have the email addresses, and so now as we continue to meet and greet new and potential prospects and donors we are trying to gather more and also make sure with the database that the email addresses are put in the email category so you can pull them. There is a big focus on that for the end of this year and the beginning of next year.

Um, let me see what other questions I have, you have answered most of them.

Is a lot of this sounding similar to what others are doing?

Yeah, you all are obviously on a much larger scale. When you are dealing with higher-level donors it segments your donors in different ways.

But I can get the demographics on the different pieces we send out.

This is a question I had and we kind of talked around it? Do you feel the stewardship programming reflects the mission of the organization?

Yeah, I really do. Our mission simply stated is patients first, so what we do is try to bring patients back to the clinic to see what medical innovations are going on and to see what the next big research effort going on or what new facilities have state of the art equipment. So it is always bringing people back to healthcare.

Are there any ways you try to assess the donor's needs through surveys or any other feedback mechanism?

Let me think, well through the annual fund, we just changed it this last year, we did a huge mailing and worked with an outside company and now there is an opportunity where they can ask for more information in a certain medical area. But typically when we are out meeting and getting to know potential donors, and prospects, the conversations is centered on the donors' interests, what they are passionate about. If I am working on the cancer center, and Jane Smith's grandchild went to children's hospital, obviously she has a passion for kids, so you switch gear toward kids. Donor-driven is what we call it.

How do you handle donors that have fallen off the map for a while do they continue to receive information?

They do, in the system; there are various codes, like mailing list for example. So they will know which groups to code. Also what we started to do this year, we categorized as TLC, tender loving care, these are people that have given and say they can't give any more or those that haven't given but have potential, so we coded them and they will get perhaps an annual report or maybe the magazine. So we have been able to capture their interests a little but, they don't get all the mailings like a true donor would get. So we don't want to bombard them. They wouldn't get an annual fund mailing, but the magazine. You know we have started this past year a special giving program. These are folks that, our threshold for a major gift is 100,000 so we have so many prospects, we have over 3.5 million patient visits. And we have a lot of potential prospects. Through the annual fund or annual giving, we are trying to watch the pattern of gifts, if someone is giving 1,000 – 5,000 every year...we have a person who calls them and tries to go out and visit them, and they are coded. These are lower level, but people that we want to continue to engage and do something, maybe 25,000.

Ok, well great. Can you think of anything that I haven't really touched on?

I can't...with anything 10,000 plus, we send thank you's from CEO, some are personalized depending on situation, or the bigger ones are personalized. I think if you guys are still giving some benchmarking, in maybe a year or two, it will look a little different, because stewardship

sis so important and we are blessed to have a lot of higher-level donors. But like you said you don't want to miss the lower levels, so we have to have a way to make sure every DO is recognizing all of our folks, because if someone gives 5,000 or 10,000 it might be as big of a deal as giving 10 million. So I think that is our goal moving forward. So how do we get our arms around all levels? The corporate foundation is cut and dry, and specific lines of reporting, but the individual side has always been a little interesting, because some people are fine, if you call and say thanks, we have the equipments, and that same donor that gave 10 grand, same as the million would be invited to partners in philanthropy. So they are engaged, but we don't want to over program them. There have been years where there are too many events and they are annoyed. And there are some that want to come to everything. But for the most part, we try to get people back on the main campus to show. We have a beautiful facility that opened last year and it has a beautiful rooftop pavilion that you can see downtown and the lake so we do a lot of stewardship events there and cocktail receptions.

## **Interview D**

There is a lot of interaction between our staff and potential donors. The search can be done in a very different way. When you get into a large institution, like this, the volume becomes somewhat of an obstacle. You have to limit what you do with particular types of donors. It is a matter of just having the staff and the time. Bottom line, you want to keep that donor connected, you want to feel good about that decision.

Right.

So, that is the focus of our office here. When I came here in 2001 that was the first year they posted an actual position that was described as a director of constituency relations. At that time, they had an individual working on stewardship, but her work primarily was with the donor recognition component, the reporting piece was in development services, and was being handled by a couple of other people. There was a grants person that handled some reporting back to some donors. On the endowment side, that was another area of development services, so our leadership really wanted to bring in really what we do as stewardship under one umbrella. So they created the position and it was successful. In 2001, we began to expand the program. I put together several things here I think will be helpful that will provide some background information.

Great.

We have evolved, at first it was two of us, then we added a secretary, then we added a fourth and fifth person. Then this spring we had some downsizing, because of the numbers the budget crunch, nationally. So, we lost two stewardship positions. So we are down to, from a high of 8, down to 6. That is what we have currently.

Do you feel that is kind of a sufficient number? How does that work?

It is never sufficient. That's the answer. You work with what you have, you do your best, and you regroup. We work on particular things that wish list gets pushed aside. You have to come back to some of the basics. But that doesn't prevent you from looking at those basics and how you might do it better, more efficient.

Uh huh.

That's a lot of what we are doing at this time. The positions we have now include the director, associate director, whose primary responsibility is fieldwork. It is a new position for us, within a year and a half. This was a really fun change that we wanted. It was part of our plan. We wanted to add this in response to a need to address long-term stewardship and relationship maintenance with long-term donors who have been part of field staff portfolios, but who often were at the end of the lists of visits, because our field staff is focused on bringing those gifts in and reach those targets. Then if we can fit in a couple of planned giving donors to say, this is what's happening, thank you for this commitment. The field staff at that time said we need someone in stewardship to take care of some of these people, so they don't slip through the cracks. So we developed that position, with some great support from the system, as a new idea for grant support, etc. And it's been very successful, that's our associate director. This position might say this person helps to manage programs, but the real focus is as a field staff person. Then we have two assistant directors, one whose primary focus is on the endowment side of things, managing the work that the development office does with endowments once they are set up, the stewarding of the endowments. Then we have an individual that is focused on major gift reporting and our faculty stewardship program.

Okay.

Then we have development assistants that support all of these things. But for the time, it is working.

Okay. Good. I guess, my next big question is could you go into each section, reporting, nurturing, and recognition. What are some of the procedures you do, from simply thank you letters, the protocol, to annual recognition dinners?

Okay, you will have to keep me on track, cause I will head off in different directions.

Okay, how do you acknowledge donations?

Our gift-processing department handles a lot of the acknowledgement process, not all, but a lot. So that stewardship section, does not work with acknowledging. Although that is part of stewardship, perhaps I should preface, everyone is involved and engaged in stewardship. Everyone needs to understand that.

Right.

We, within this section, focus on stewardship in the sense of keeping us in the forefront and the minds of our colleagues. We also work on major gifts, we are a major gifts office, not because a smaller gift is more important, it is because the number of the gifts that come into the institution, and we work with our field staff to provide them tools to build relationships with these major donors. The stewarding with some of the smaller gifts is in a way a bias, because these donors may be giving to a particular area, but other donor maybe that give to our annual fund, for example, that reporting back is handled by the annual fund program. So, in that program, as they build their mailing cycle, they have two thanks yours, for example, a thank you card that goes out in the fall around Thanksgiving, with no solicitation, just a card, through our children's art project. And then, at the end of the summer, during the summer and toward the end, we send another mailing out that wraps up the year, saying this is how the gifts were used, here are some examples, areas to which annual fund dollars were given. Thank you again for your support. Again, it is not a solicitation piece; it is a thank you – built into the annual fund. I gave some input as to the timing of the card. It used to go out around Christmas; it was competing with everyone else. A simple suggestion of lets move it to thanksgiving. We moved it and had a good response to that. It works well for us. In building this summer report, a little input there, sometimes suggesting programs, working with a vendor that provides our mailing program, but its largely handled by that program.

Okay.

Back to gift acknowledgement. Gift processing acknowledges these gifts. If there are special efforts that go out, like a campaign, there is a specific letter that goes out. For tax purposes, we do acknowledgements for all. There is a letter that is coming from campaign leadership to the donor, they use volunteers. We have a letter coming from the president that goes out to these people, as well as a standard letter coming from our VP. There is a sequence, so that there is new information about the campaign. It is tied to the campaign, and the staff that is working directly with the campaign solicitation handles it.

Okay.

This is the thank you, gift acknowledgement piece. With other major gifts that come in, if the gift is above a certain level, that particular donor will get a letter from the president. I want to say it is a thousand and above. If it is \$500 - \$1,000, you get a letter from the VP, and this is very much like most shops, depending on what they consider to be significant gifts. We try to get the presidents letter down as low as possible, so that at least there is that kind of communication. It is not individualized, as far as all of the letters are concerned, but at certain levels there is that personal signature- there are personal letters that are written by the VP's staff, some of the letters are also written by the field officers, because they are familiar with the donor, and they know what those touch-points should be, as far as the donor's concerned. So that is where the field staff person becomes very important they have an understanding, so they know what the gift is coming in, so they work directly with the gift acknowledgement people, with the campaign, so that they make certain this piece gets out with the donors – again geared to size of gifts.

Right.

For us, major gifts are \$20,000 or greater. That is the threshold we will use for a lot of what we in our stewardship/ donor relations group for the programs and activities, which we are directly engaged. Faculty, it is the gift of 20,000 and greater.

Do you do any other forms of recognition other than a letter – for mayor donors maybe, phone calls or anything like that.

It will vary by the donor, and the individual field staff. Knowing what that relationship will be. They will work with the president's office, if it is important for another form of communication, we will bring that to the attention of the presidents office, going through the vice president. We work very hard to work on relationships with the president and the field staff. A lot of the major gifts needing special attention come from board members. So we help the field staff formulate the stewardship strategy for those donors. If there is a new gift, fore example, coming in, and no-one is aware of that donor, that provides an opportunity for the field staff person to say thank you.

Okay.

The research group on a monthly basis meets with the field staff and to make appropriate assignments. SO very quickly, that staff person can follow up with a quick phone call to say thanks for this wonderful gift. Often, it will be direct to a particular program or they are a patient, so they have a relationship with the institution we may not be aware of, but through that communication, we enter into a discovery process, and we begin to know more about that relationship.

Right.

If gifts come in for general purpose. If an annual fund gift comes in at a major gift level, or lower, we have one of the field officers call to say thanks, and to give the donor the opportunity to further direct the gift. They may have said general purposes, the field officer will call to say thank you, do you have a particular area of interest, we can direct them. Donors appreciate that opportunity, and the majority will take us up on that and will know that they have the ability to put it toward specific broad areas. Often, their giving because they have been touched her, by cancer or someone in their family.

Okay, right.

There is a lot of calling going on, a lot of the calling our field staff does is tied to the gift that has already been made, not like cold-calling. There is for example, one of the ideas that I love doing is utilizing your board to make calls to donors. It is one of those things, that because of our size, we are not able to take full advantage of. We have some of that going on because of the campaign, but we have a lot of board members directly involved and they assign themselves to

work with other board members, potential donors, to solicit gifts, as they are engaged in that process, there is that communication and phone calling and even letter writing to acknowledge those types of things. There is a campaign director, that engages that aspect of stewardship to make sure that those lines are connected, as well as the field staff person to connect those dots, to personalize as much as possible.

Right.

We had over 120,000 donors last year, so, volume again, is phenomenal, but it is our goal to personalize as much as possible and particularly those major gifts we have to do. Because we need these major significant gifts, to reach the targets the institution sets for us. So that is the challenge, a big program, how do you personalize it? How do you do those things our colleagues at smaller institutions can do and can address. They really can, it is going on, sometimes it is a matter of just prioritizing and making some of those assignments for the volunteers.

Moving to recognition, what are some things you do to recognize donors in general or strictly major gifts, either the way you communicate with them, publish names, etc.?

One of the things that we understand and believe in, is that what motivates our donors is not the fact that they are getting recognition for what they are doing, it is the cause that is bringing them here for that relationship, they will say, I don't want my money to go anywhere but...they do not want recognition pieces and mementos. They really see what we do and being very different from what they are doing with public radio and television, some of these other campaigns, that say, gifts at this level, will say for things at that level. But at an institution like us, that is not what is driving them. So our recognition programs aren't built on particular recognition items. But they serve as recognition to particular types of donors, we do publish the names of donors that give \$1000 or more annually, that is part of our annual presence report.

Okay.

We will be sure to include that in your packets. And that is for traditional, like many institutions can't get away from that. We feel it needs to be out there.

Right.

The questions asked are should we do it electronically, yes, but it is nice to see it printed. It is a beautiful piece, we send this to a broad group of donors \$1000 and more so that they can see this recognition. We will go down to donors of \$500 or more and send them this as well, hoping that this will serve to inspire and encourage them. The stories are wonderful, they are about the institution. I don't know that the lists encourage them, you are hoping the stories give them a reason to give.

Okay.

It is an expensive piece, we have to really look at this. It is coordinated by our communications group. We will work with them. Our data processing people will work with them to develop the lists, etc. This carries also, lists of our volunteer board, board members. We have two board, one is the board of visitors. It is our volunteer development board – at some campuses, that is your board. For us, as part of the system, we have the board the makes the decisions. Our board is there to advise the president regarding philanthropy. These are people where we draw support and know how to reach our goals. We also have a younger generation board that we call our Advance Team. It was under stewardship, we initiated this as a way to recognize emerging potential major donors. These are individuals that are engaged to some extent. These are donors or potential volunteers. Their parents may have relationships with us as a board member. This is a way to engage them and focus on other areas, like children's cancer and the children's hospital and pediatric center. It was through this particular group that we were encouraged to bring more visibility to our children's cancer program and we were able to form the children's hospital. These are people in their 30s, 40s, 50s, with kids, having some real sensitivity. They started out with the stewardship group, but as they grew, we moved them over to the special events group, who staff our board of visitors.

Okay.

Some of these people move to the board of visitors. This is a great way to recognize individuals and donors. It is recognition, it is a great way to engage them as far as volunteer ship and philanthropy. With the Advance Team, there is not the expectation that they donate at a particular level, but they said, we want you to tell us when you need us to participate in this way. When you have the ability...we know you are forming careers, you have families, this is important we want you to help open doors, but we are not going to tie your position with this group solely on your ability to give at this particular level. There is a lot more that you need to be looking at. It works well; it is something that I would encourage, to develop that secondary emerging board, and a way to gauge some of the younger people. In some situations, depending on the institutions, one might have a younger group, in their 20s as another type of board that might be engaged in a different type of way - smaller hospital/ institutions.

What are the size of those boards?

The big board is about 200 people. The Advance team is about 50. The goal is to have 60, there, the board of visitor's goal is to have 200 people. We are actually larger than that. We do recognize them as they retire from the board. A token for their service; a nice piece of crystal.

Other kinds of recognition, back to the big list, we do have the annual report on the Web site, so we have pdfs for this and anyone can read it.

We also have kiosks, that we installed this fall.

Oh, great.



On those kiosks we are recognizing some of our volunteer boards, donors at particular gift levels of \$1,000 or greater. We are recognizing donors that give to certain types of endowments. Electronically, we utilize our kiosks for that. They are at different points on campus. We had one in the visitor's center a number of years ago. It had a limited purpose. Some donor recognition, and how to get involved. This is far more advanced. This is the next generation for us. It took us a while, but we wanted it to do everything, but it can't, but it is out there as step one.

Are you happy with them?

We are still watching and evaluating to see if the locations are the right locations. The jury is still out, we are happy, we get good feedback, but we hope that it also generates some interest. To recognize donors, but we hope it encourages new donors as well.

Right.

With the annual fund, let me think. Within the annual fund program it recognizes loyalty. So there are bookmarks after 5, 10 consecutive years. Gifts at certain levels, there is a certificate we print out and we either send it to the donors, the annual fund program does that, or we will give them to our field staff to deliver for actual visits.

Okay.

The larger gifts, we encourage them to visit the donor and present the certificate, or if they are going into a particular area, we have some key visits. Use it as an opportunity to say thanks to these people.

There is nor further segmentation – it is just \$1000 and above?

Correct. Within this group, we do segment out those donors, when we are breaking it down. The assembly recognizes those whose cumulative giving reaches 1 million dollars. This is growing. This last fall, we had a major dinner and we invited current members, individuals that have been recognized as Anderson assembly donors. We used the occasion to bring in new people, whose giving reached 1 million dollars over the past 18 months. It doesn't occur every year, and we would like to have a critical volume of people to recognize. The 20<sup>th</sup> anniversary was a chance to bring in that group. Sometimes we will bring in individuals, sometimes recognized with a dinner, the president, some key faculty. But we like to have this dinner as a dinner by peers, to recognize peers. There are no perks that come with it. It doesn't motivate these people to give at that level. But it says we are going to gather together to recognize people. The new groups coming in, the numbers now exceed, over 108 individual that have 1 million or greater. We have not segmented within that group. In the end, we still feel our real intent is to recognize the threshold. We look at it every couple of years and we may need to look at it again. We have a number of people, that list is growing. People that have exceeded 20 million dollars for a lifetime commitment. That is the thing. With these programs, we need to continually look at it and evaluate it.

Are there any ways that you take into account the donors' perspective? Through surveys, etc.? Gauging their interest?

The surveys that we have taken in the past have been very broad in nature and have not focused on the donor relations piece. We will ask for feedback from the field staff as they deliver reports to donors. The donors appreciate the fact that we are doing this and so we get feedback in that way. A formal survey, specifically stewardship oriented, we have not done that. It is on the to do list. A group we would like to survey is with the endowment reporting. We would like to in the nearer future, include within the endowment reporting packet, a survey instrument.

In the past surveys, is part of it, do we gain the sense of what would they expect of us. We don't ask them about recognition, but about knowing our money is being used for the purpose intended. That is a big focus of our program. One of our directors focuses on major gift reporting, the reporting piece. Your major donors are not interested in what do I get, they want to know that they are helping to make a difference, those reports mean so much. And so much of our effort is on building a recognition program through reporting. Back to recognition, we do have recognition across the campus, some donors are motivated by that. We do have an inventory of locations across the campus, patient rooms, etc., that for a donation at a particular level, we put a memorial type plaque on the room, saying, this is in recognition of the generosity of the family... For other gifts, they may result in the naming of a lobby, building ,etc.

Right.

Buildings, programs, clinics, as we walk around, we will see.

Those levels are pre-approved on an annual basis, we provide them an inventory. They have that as we are getting ready to work with major donors, major gifts need to be approved by our board of regents as well, to be accepted in a formal way, and so, we as a public institution, need to be cognizant of that. There is that layer as well. The system is concerned with making sure all the components are not going after the same donor, and making us aware of that, as well as making sure that the way we recognize donors in these ways, that there is consistency. That the integrity is maintained by the system's schools.

Yes.

The UT system requires annual reporting to all endowment donors. So we are engaged in getting the donor financial reports. We also have plaques for the endowments. We include that group also here in the annual report. We include them in the kiosks. Sometimes the donors names goes on an award. People need to remember that our field officers continually advise them on how to give recognition, remember, endowments as recognition, and that is forever.

Do you all have an employee-giving program?

Not in a formal way. We have had it as part of a campaign. There was an employee recognition wall. Each year for the entire period of the campaign, then they could choose to be recognized as part of this wall. The current campaign, we are getting ready to go into a public phase for this campaign, whether or not there will be an employee component, how we will recognize that is being reviewed. One of the challenges for us, as far as physical recognition, because of our size, there is no central area, in which we can have this. We have our main complex, which includes our inpatient unit, there is a large out-patient clinic area, that is part of our main campus. This we have expanded, but we moved our primary areas across the street to the clinic. The question is where do you put these things.

Right.

Our last big campaign helped build the hospital, so the recognition is tied to that. The new campaign focuses on building new cutting edge facilities within that institution.

There is a research building component, but with those, they are not as public, so you don't have an area where the public can see this recognition. So, we are considering how to do that.

Our planned giving program, which in the past, we have recognized donors who have committed to us with a planned gift, through the planned gift society. Within that, we have a group that shares this common fact. There is no formal annual meeting of this group. We will invite them to special events complimentary. We want to keep them engaged in the institution, just like any other major donors. We have a lapel type pen, we are looking at options as to what we might do, as far as a plaque of sorts. They are not asking for it, but we would like to do something to recognize this group. When I have asked colleagues across the country, when you see these questions pop up about planned giving – you see most institutions don't do anything with planned giving, because those aren't realized gifts.

That is interesting. Back to reporting really quick, you send this (magazine) to your donors, what are some other ways you report back on what the gift has done?

We have a quarterly magazine called conquest that will go out to a fairly broad group of donors and friends, former patients.

Do you do any type of e-newsletter or use email to communicate with donors?

Our office does not, the institution does, so we take the advantage of allowing donors to do that. We have an excellent e-newsletter that we will make available to donors. Our kiosks for example, gives people the ability to sign up for our automatic e-newsletters. These are email blasts that say come to this site, etc. We do that with the annual fund. We have the magazine on the Web site. We send our donors the full report, very expensive, and so we have moved to doing it electronically. This year, for the first time, we will send a letter to the donors of the endowments, that say, the annual report is available here, we have enclosed your financials in this letter, but for the complete report, go to this site.

Ok, great.

We develop a story every year and we put it in conquest magazine. So a donor can go there, to the Web site and look at a donor story. We try to focus on different level donors and donors to different areas. We try to use this magazine that gives donors an idea of what we are doing and who our people are, we want to personalize the institution.

Okay.

A lot of the stories we tell in here are about programs supported by our donors. We also have a more specific piece that is called “Promise” that is focused on philanthropy, and that newsletter talks about individual gifts, programs, that have been underwritten by our donors. SO that definitely has a philanthropy scope. Conquest doesn’t, it is more of an institution magazine. Promise talks about areas that have been supported by individual groups of donors. It is another way for us to tell that story. But if a particular gift, to a particular program has been large, we again, where possible, will work with that faculty member to get an actual reporting and accounting program of how the gift was used. If we can combine them in one group if possible, we will do that for the sake of our faculty. They understand what we are trying to do, because they understand what it means to steward. Our financial people set up accounts for philanthropic funds, and it is owned by a particular faculty member, within the system on the account is “steward” equals doctor so and so. They understand we are all a part of keeping our donors connected and to be accountable for our funds.

Okay.

When you look at our major gifts, they are coming in from long-time donors. They may have been board members, giving to us for many years. I had a discussion with one of our field members yesterday about a group, we got a gift this December for 6.3 million dollars. Over the past thirty years, that 6.3 million will now bring them to over the 20 million dollar threshold. But it is that reporting along the way that has helped make that connection. We have come to them along the way for help, for new programs, and they have replied in a very affirmative way.

Uh huh.

And with this donor, their name is tied to a particular center, a research center, but that is it. It was tied to a gift they gave that created that center. Beyond that, there was nothing else. The prospect manager says we are at this threshold, what else can we be doing to recognize them. So this is what we do, serve as a resource to my colleagues to help brainstorm and facilitate some of it. But in the end, a lot of it is still the responsibility of the field officer. Because they should know the donor the best. We are there to help facilitate, in the background to provide the tools necessary to help them be the connection to the institution outside of the faculty member. In the hospital, sometimes the primary connection is the doctor.

Your promise publication, who receives that?

It is a broad base, just for donors. So the annual report is part of the conquest series. Promise is all about philanthropy.

Okay.

Some of these donors we tell stories of, are not the big donors, we want to make sure we tell the other stories that tell of children that use their birthday parties to raise donations. The joy of the child is to give the gift to us. Philanthropy begins young.

The next group of questions is, and it maybe the way you are set up, more under development officers. What are the ways that you build relationships with donors, continually, when you are not soliciting them? Obviously through the publications, face-to-face visits. Is the level of the relationship up to the development officer's discretion?

They have portfolios. Within the portfolio, you have the group you are exploring and trying to build relationships. You have that group that already is engaged and we are leading up to a particular ask for the campaign right now. A lot is geared that way, then you have the stewardship group. It is really continual, because the stewardship group is really a cultivation group also, because that prospect manager, the responsibility there is to make sure that they are looking at the long term and how might we utilize these components and handled by the stewardship group. The progress report, for example as part of our work group, we will work off of a major gift date. If the donor has not requested specific reporting, we will initiate a request for an anniversary update to the donors.

Okay.

We tell our field staff, they can tell donors that major gifts of \$20000 or greater, we have a program where we engage faculty and put together a synopsis of what they were able to do. Then, we will utilize our prospect managers when we are delivering that. So in the stewardship phase, that is where the report comes in, depending on where they need to be. Many times donors may be paying out a pledge. In that stewardship phase, that prospect manager still needs to be engaged. That you take care of them till I am ready to go back to them – no. That donor doesn't need 4 or 5 different contacts from the institution, much less the development office, so they have primary responsibility, but we are there as teammates. We are there to help them think about that long-term stewardship plan. The fact that I got a call from a major prospect, saying we have reached this threshold, what do we do. I can be engaged in that, throw ideas around, determine a strategy. I may not be at all involved with that strategy, but I am there to help them think about what might happen.

Okay.

We have two regional teams. It is based on volume of donors, as well as patients. So these teams tend to focus on those areas. There is a wonderful collegiality among the team members, we are working for a common goal. There are targets for fundraising set by the president, in essence in our leadership group, they have individual goals, so they are still looking at that for the sake of evaluation, and assessment. There is a lot of good partnering. In order to get help and everyone reach their goal.

Right. Um, then, can you tell me about special events, I know you have a team for that. What are some events that is just stewardship, not really an cultivation , necessarily, but a gathering, relationship building?

Sure, dinners with individual major donors, recognition. Our special events, we have some large group events, we will host a major donor recognition event every other year. We will do something similar in other places. We will do in on smaller scales in other areas too. The intent is to say thank you, recognize donors, we engage our board of visitors. We often, especially, use someone's home to host an event. We will use that, of course, any stewardship event is also cultivation, you have to look at it in tandem, stewardship is cultivation. Technically, if you are talking about stewardship that is focused on what you are doing back at the campus. Are we good stewards of the funds given to us. When you really pick that apart in my opinion, working with our faculty, or financial people, that the funds are being used for the purpose intended, that is truly stewarding of the gift, the other part is donor relations, and donor relations is cultivation.

Okay.

So as part of an event, we always have the president talk about the institution. What is he excited about, an upcoming campaign. We won't be soliciting directly, but we might say, we will be coming back, or we will need your help, but we are using that evening as a chance to say thank you. The field staff will use that do connect to donors. They will follow up with donors saying "hope you come" we will have doctors there, that will invite. We will have featured speakers, so besides the president. We also try to bring in, either a donor or a patient to tell the story too. Because the one who benefits from the gifts are the patients. We want that to be part of the story.

Okay.

The board meeting also is a special event. The annual meetings, we have a president giving an address, what we are doing. We always make sure we are telling about us and giving them information. Those are large scale, I mentioned the assembly.

Yes. Right.

For those that are not in attendance, because of travel, and our diverse group, it is not easy to come in for an event, our own prospect managers may end up delivering the obelisk. Also, we have donors come and visit doctors labs, doctors have been very hospitable. That is another thing the manager can use to engage the donor, say thanks, report back. With some of the donor funds,

they may give to a particular program and that donation underwrites fellow, and so they will set up a luncheon that will include a tour of the researcher's lab. An opportunity to sit down with the fellow – talk about the research. This again, personalizes the gift, and so that hospital setting, here is a wonderful way to bring that donor in touch with the work.

Okay. Great .

So some of it is automatic. Stewardship used to host a bi-annual day of science where we invited a large group of donors, our focus was on researcher, and for things that donors funded. What we found was, we would invite thousands of people and in the end, end up with 300 people, it is very difficult to get people back to the campus. So, we have looked for other ways. We are going to have a half day of science, it is going to be tied to a public launch of our campaign. A focus on the research funded through the campaign.

Okay.

When we are giving some of our “friend raising” cultivation events in other areas. Don't separate cultivation and stewardship, or it's a missed opportunity. There are also site visits. If we are out there for an event, in New Orleans for example, they will use that activity, as a chance to build other visits around that. For the sake of efficiency we try to be good stewards. Our president is a great, great person, he supports a lot of our activity, we try to limit it to significant donor projects. Just everything that he does, but he is very effective, and knows the way as far as fund-raising and joins us, he demands a lot, but does a great job engaging.

Great.

So, again for your smaller shops, that is a given. The president is one of your best spokespeople. That enthusiasm she shows can be conveyed so effectively.

Great.

Our president, we have been fortunate and helps to get us where we are today. There is a lot of that personal contact with the major donor, from the president and the major donor, a lot of it we initiate and help to develop that opportunity and they are there to say lets do this, lets do that. We have to be very careful there, because we could use him 24-7.

How many total people work in the development department?

114

Center facts: 120,000 donors; 23,277 hospital admissions 7,000 people, including nearly 1,500 faculty.

So, over all, how do you define stewardship?

Stewardship is in the details. Stewardship is donor-centric. Stewardship equals how well we take care of what we have been given. The stewardship component provides oversight and support to the Development Office in the stewardship of the institution's donors and potential donors to achieve the philanthropic goals established for the office.

What are some of the challenges you face in practicing stewardship? Are there limitations due to the budget, staffing, time, etc?

Here are some of the limitations that come to mind.

- Limited staffing (compete for fundraising positions which take priority)
- Incomplete background information about the donor and the motivation for the gift
- Incomplete documentation (at times) about the gift and donor expectations
- Competing for the attention of the researchers when their time is limited (They understand the need for keeping donors connected, but cannot always find the time to prepare reports.)
- Keeping our fundraisers "on task" with stewardship activities
- Quality of the reporting we get from the recipients of major gifts is inconsistent.
- There never seems to be enough time to get everything done you wish to do. Great ideas are sometimes placed on a back burner, never to be moved to the front again. (This relates to staffing, budget, development office priorities.)

The research breaks stewardship down into 4 parts, reciprocity (acknowledgement/ recognition), reporting, responsible gift use, and relationship nurturing. Do you feel your stewardship practices focus specifically on any one part more than the other?

Our team spends most of its time with reporting and tracking responsible gift use. Our Gift Processing area handles gift acknowledgement. Our field officers work on building relationships. That being said, we are responsible for donor recognition (signage, special recognition gifts) and are developing a Long Term Stewardship program that focuses on nurturing the long time relationships we already have in place (but cannot be handled by a field officer).

Have you seen an increased importance of need for stewardship, especially with the current economic downturn?

Yes, there has been increased discussion among development professionals of the importance of effective stewardship programs. It has always been understood that we need to be good stewards of the gifts we receive and that we need to keep our donors informed about the impact of those gifts. During these challenging economic times, people (as well as foundations and corporations) have limited their contributions to those organizations with whom they have solid relationships. If they know their gifts have been used for the intended purpose and that they are helping to make a difference, they are most likely to choose to give to that organization again. Communication is key to this. Our faculty understand that their thank you letters and their reporting to donors about the impact of their gifts are key to continued donor support. It is easier



to get a new gift from someone who has already chosen to give to you than to generate a new donor. In tough economic time this becomes more evident.

## **Interview E**

Thank you so much for taking the time to speak with me.

Not a problem at all. Remind me, where you are and what you are doing.

I'm at LSU graduate school and am looking at development departments in medical centers and how they practice stewardship. What brought this on was that I am interning at MBPCC in Baton Rouge, and they didn't have a comprehensive stewardship plan, and that led me to look into what others are doing.

135 years old

In 2008, the clinics had over 1,179,000 patient visits, and more than 51,800 patients were admitted to the Vanderbilt hospitals. U.S. News & World Report named our specialty programs in heart and heart surgery; gynecology; cancer; kidney disease; ear, nose and throat; endocrinology; respiratory disorders; and urology as among the best programs nationally.

First could you just tell me about the medical center its size and scope?

We have approximately 179,000 patient visits, and more than 51,800 patients. Just so you know. I started about a year and a half ago; they did not have a director for stewardship for the med center. We had a donor relations department for the university; it assisted the med center development with stewardship. They never had anyone on the med side specifically, so when I started one of my first real projects was researching our endowed funds. Because I quickly discovered that there were several places around campus where places could be for endowed funds, since med did not have a stewardship person. But to really answer your questions, the way the center is organized, the center in the past 3 years has doubled in size as far as development officers and the staff. We have 75 people that work specifically in med development. And because it's not something I have had to concentrate on I don't have all the numbers, but I can email you that. We actually have a fact book, the new ones should be coming out in January or February. Is that good? But to let you know how we break down, when our Executive Associate Vice Chancellor, the big boss for med development, he came from Wash-U in 2006 and he really focused on growing our areas by department so we have a team that focuses on children's hospital, a team focusing on the cancer center, their development, we also have what we call a departmental team that breaks down and works specifically with the departments within the school of medicine. So each development officer has a group of areas. My background has been in corporate sales, so it reminds me of sales territories. So this person focuses on diabetes and ophthalmology, and others focus on speech sciences, etc. Then we have a new team that started I guess about 18 months ago, and it is regional development and historically, at V, there was a regional team that traveled for the university. So med would provide them with prospects, in California for example, but the regional team would see them for us. The issue was that they

were covering university and med, and they couldn't be as educated when it came to med stuff, so we begin to build a regional team, we have 7 development officers that have territories across the country, they travel two weeks of the month. They work hand in hand with different departments – they are the jack-of-all-trades, they have to understand all departments. They will visit for scholarships too. They kind of cover the country based on territories, and they are in the office two weeks of the month. Lets see if I have the highpoints. We have an annual giving team, that focuses on all donors that are under 1,000 and we also have a biomedical research team that was also a new addition when they came here about 3 years ago. The person that runs biomedical research has a PHD and she works specifically with the faculty on securing grants, and so she has created a database here, that is a one stop shop for all grants. It has been around now for 8 months, but it is kind of a central place faculty can go and look at specific grants by foundations. Ok, I'm running through my list, we talked about departmental teams... and then we have a school of nursing and school of medicine area, and I think probably the most notable and it seems pretty different when I talk to some of my peers, we have a lot of back office resources. We are not people that see donors. I am not someone who sees donors. I am on what we call the strategic initiatives team and we handle a lot of everything. So my team is stewardship and currently its me and an assistant and there is an assistant for stewardship specifically, and we just hired an assistant director of stewardship and hired her in October, and then my counter parts on the strategic initiatives, we have someone that handles prospect development and I would say my boss and then one of our other colleagues, they do a lot of reporting and financials, Um, kind of anything and everything that our leadership team needs, as well as stewardship leadership, prospect development leadership. The person I report to is the director of the strategic initiatives team, we also have one other assistant that works with us, my boss, prospect development, and our associate director. The other team that functions similar to us is the med communications team, that handles a lot of proofing they proof letters for me and they do a lot of vision statements and they work with every area on, specific letters for solicitation, or if it is pretty marketing materials, they work on that as well. They basically, I think right now they average a 100 projects per month, just supporting the med development team. They also do quite a bit for the VC of public affairs; the best way to describe him is the CEO of hospital and Dean of school. They do a lot of support for him. So we kind of, we are an anomaly now, because there is so much support within our area. I think when you see teams growing in development across the country, you see more development officers being added, not necessarily the back office support. It has been successful. So that is a snap shot of who my customers are, because I am working with all areas, and I work a lot with communications, just to try to get their help with some stewardship reporting and making sure I am standardizing things. Keeping them in the loop. One of our biggest obstacles is communication with so many people, because so many people have really been handling as much stewardship as they could before I got here.

How do you all define stewardship within your organization?

Well, for us, and I am actually, I can locate our formal definition, but stewardship not only has a donor relations, but also a not only a retroactive look at what funds we have, but it also becomes a proactive look at how we document gifts. Not only am I responsible for annual stewardship and thanking our donors and sending out packets and writing notes on how their dollars are being put

to use, It is also really overhauling our documentation process. Trying to make some processes easier for our development officers. Contracts for gift documentation forms. I have been here 2 years in may, There has been a lot of effort moving towards making sure we have documentation for all of our gifts. Because of all of these places that documentation can be. Years ago, there was a handshake and you are done, so there is not as much documentation from years ago. Trying to work through who we know and what kind of documentation we can get now, making sure we are using their fund in perpetuity, the way it was intended.

Can you tell me about how you show appreciation and recognition to donors? Either thank you notes, or recognition procedures.

We have an acknowledgement process that can be a bit detailed, but basically, for gifts of 25,000 or more, our VC for health affairs (dean) sends a thank you note from his office. Handled through our, we have a donor system – over a 1,000 and over. It is actually their groups that send these letters out on his behalf. So letters come out from the VC but also the chancellor – I believe his threshold is \$100,000 and above. We just went through some changes so I want to make sure I am telling you right. Here that acknowledgment process is not something I facilitate. It comes from the annual giving office and the donor society.

Who runs the donor society?

Person within the development office and that is recent, they used to work directly for the VC and in the last 6 months we have had some leadership changes and they are a part of development. As far as recognition, we provide annual chair and scholarship recognition. Chair recognition happens typically in the late spring and summer and what we do is we send out a letter from our VC (dean) his title is so long. So we send a cover letter from him, and endowment brochure, a two page document and summarizes our endowment and gives a pie chart that explains what percent is scholarship, which is chairs and we provide a financial report for that chair as well as the chair holder writes a report that explains. This was our first year in taking this on. In the past the donor society office handled these. This year, when we did it, it wasn't as a standardized as I would like it. The format varied among the chairs. Basically the chair holders tell how the money was spent, the awards or publications they have had. Really just trying to engage the donor and let them understand how we are using their money and what value the chair holder brings to the university.

That goes out only to donors of the specific chair?

What we do is, our chair minimum to endow a chair, it is 1.5 million dollars. What we look at, many of our chairs, have been given by more than one person, a group of people. Any body that gave \$100,000 or more to a chair received a packet from us. And the vice chancellor signed all of his cover letters and then I worked with the development officers on a suggested note for him. Many times he knows the person, but if he had not seen them, we gave him a prompt to remember them. He writes hand written notes on each cover letter. The length depends on the person, how much he wants to write and how much time he has. So that happens late spring

through the summer, and it is a struggle getting all of the chair reports in. So we tweak that process each year. Right now, we are working on scholarship stewardship, which is different because we steward each donor that gave 25,000 or more towards a scholarship. We have about 250 packets going out and our goal is to get them out before Christmas. For these packets, we include the same information, cover letter from the vice chancellor, endowment brochure, we also include a color copy in a nice PDF of two pages of our annual report, which goes more into detail about the endowment because with the economy there is a lot of questions about how endowments are working. We want to explain why there has been a decline. So we include that as well as we have a US news and world report ranking and so we have a flyer, a one-page flyer which explains where we ranked. Each of our scholarship recipients writes a thank you note and we facilitate that process. My assistant has done a great job. They each write a note and they include a photo of that student. May take it a step further and want to meet their donor. So, as a stewardship office there are the spring chair reports and fall scholarship reports. I also work on quarterly reports that need to be done, whether it is a specific donor that has requested a report or it could be a specific fund, where 60 people pay to and it has been a while since we touched them, so there are those extras. As I move further into my objectives and what has been put aside for me to handle we eventually want to standardize how we steward lectureships, fellowships and other funds across the med center. So far, the university itself only has standards for chairs and scholarships. Historically it has been left up to the development officer. Some steward at different times, they keep me in the loop. If I know of another idea or if there is something we need to add.

You mentioned the donor society earlier - are there others or is that just one? Do you segment – this may be more annual giving, but do you segment at giving levels?

A Society for \$1,000 and more. We have the Society for school of nursing for \$1,000 and more. Basically, those are our two main societies. There are different levels within the center of support for CRS. Besides that, that is basically our donor levels.

You have specific officers within development that work on these societies?

Yes, we are actually at a point, it is not really something I have been a part of yet, but there is an effort to look at our donor societies, because our CRS has been around, I can't tell you how many years. They are looking at 'should the minimum be higher than \$1,000. We have had a lot of leadership changes. We have a VC for development and alumni relations, which means there is a VP that reports to the chancellor and she is resp. for both university and med development and that has brought about a great sense of one university, and we need to be doing things consistently on both sides. Along with that has come some evaluation of our donor societies and how they relate to the other societies across campus. I foresee some of our societies being evaluated over the next 18 months, also, in correlation with our peer institutions. We work with some consulting companies that are helping us with that. I think because we are in a time of transition that is not something I am a part of yet.

Earlier you said there is a communication department. Do they put out a news or e-newsletter or anything of that sort that goes out to all donors?

Not to all donors, they actually do an internal in development every two months they send out an in development news letter. They help facilitate donor communication between our annual giving team or for different departments and also the annual report for different departments.

Sometimes it requires writing and proofing, but they don't have a certain amount, like I am responsible for very specific tasks, they don't have that. They work for a department that is responsible for that. Like children's hospital is responsible and they call on communications.

Which donors, is there a certain level that receive copies of the annual report?

I don't know the answer to that. I don't know if there is a threshold for the annual.

I know some organizations don't send them to everyone due to cost.  
I can check on that.

The other thing I will say, to give you a little perspective, because we are so new. In donor recognition we are beginning to work on events and standardize how we recognize donors through events. A great example is a chair, so when someone gives us a million 5 for the chair, we have a celebration to honor the donor and the chair holder. We are looking to standardize that across med and university, because there are two different areas that handle events and the same donors attend events. So that's another aspect of stewardship not only the print recognition or the packets we send out, but other recognition.

Do you all at the university have a donor wall or a visible form of recognition?

We have a donor wall at the Children's hospital, it is a butterfly garden and it is a really neat interactive butterflies with donor names on them, and the kids can spin a wheel and it makes the butterflies flutter. It matches the feel of the children's hospital. We have plans for a donor, scholarship donor wall, in the med center. I think there has been talk for years and inevitable it became less of a priority and when the economy had the down turn it wasn't a smart use of funds. Now there are so many options for using technology for donor walls. It is not conversations I have been a part of but they are re-doing the cancer center clinic and there is a donor piece planned for that. But I'm not sure what that looks like just yet.

Do you or people in your department, what are some specific ways you might personally contact donors? Do you have meetings, take them to lunch, or phone calls?

It doesn't fall in the stewardship realm right now. Initially when I was hired they talked about 3-5 years down the road, stewardship would carry prospects, but because of the logistical back office things that need to be done we haven't gotten there. But I think it is part of the plan.

Is this more what development officers do one on one?

Exactly

Some times they consult with me on how to do it. For instance, our regional team may have a donor that is interested in giving use 25,000 they think they could turn into solicitation, if its to scholarships of a certain class, I end up helping them think through the logistics of making that work, i.e., the gift agreement that needs to be involved and the leadership approval that needs to be involved. Explaining the thresholds. I provide talking points. You are right; they work individually with the donors.

A lot of people are trying to utilize new media and Facebook. Do you employ email Facebook in anyway through fundraising or stewardship? Do you have a Facebook page or do you send emails to donors?

We do send emails and there are donors that request quarterly stewardship reports, we send those through email. We do have, specifically stewardship doesn't have a Facebook page, but the university does, and the departments do, medical center, school of nursing. That is something that they have tried to grow recently with alumni. But it is not something that I have delved into yet.

It sounds like from what you have been saying that you have outlined procedures as far as who does what and where people's roles are defined.

Yes.

Um, I guess this one, I don't know if this really applies with chairs and scholarships, but does the level of gift determine the level of stewardship a person receives?

Yes, that is the case. In what I have learned in speaking with some of my peers, I would eventually like to get to the process of what we are getting. Really outlining all of the stewardship touches they will receive over the next 6 to 12 months. Development officers know historically prospects have given this much money. But what I am seeing my peers do and what I would like to move towards is proactively sitting down and establishing that we are going to be doing 14 very specific things for this donor this year. Some can be as small as a birthday card; some can be as large as the annual stewardship for the chair. But we are outlining for that donor, ok so you as a development officer are responsible for these 6 things, and I am responsible for these 5 things. I was at a seminar in Montreal last November I met Johns Hopkins wash u and trying to learn about what they are doing. In Montreal they have a pdf, a working document, it was a great idea, it is just getting to it.

But proactively we would like to sit down and have that laid out. The tag line that my boss uses for me is the traffic cop of stewardship because sometimes I am not always doing it, but I am reminding people to do it. So that is what those lists would help with.

Do you all conduct a donor survey or are there any ways that the donor could give you all feedback or your stewardship process or general development?

We do, actually the last survey we had was four months after I started. I am not really familiar with it. We did not do it this year. Also what I noticed from my peers, in the annual stewardship packet, like my chair and scholarship packet, they put one page survey that can be mailed back or filled out on-line. Asking did you see what you wanted to see in this packet. That is something I would like to include this year. We were concerned with the feedback we would get and the manpower to handle that. Donors want to see a change, so we need to be able to follow through. Since I am so new, I was a one-an shop for over a year, so that was a concern. So next year, now that we have a little more man-power we will be including something like that.

What are some of the challenges you all face in practicing stewardship? Are there limitations due to the budget, staffing, time, etc?

Now that we are fully staffed, that has alleviated some of the challenges to our team. There are still limitations that I can see in communication between leadership and the rest of the DAR team. Due to leadership change over the past year, leadership has developed a lot of new policies regarding incoming gifts and how to document donor's intentions. Because these are new policies, among others, many of our Development Officers (DO's) have found it difficult to adjust to the new guidelines. Likewise, because the Stewardship team is the office that manages these new policies, much of the confusion and frustration is directed, sometimes unknowingly, towards us. Although this is a specific internal issue, some of the frustration is due to new processes taking too much time as they now have to go through a leadership approval process.

Due to all the policy changes we have a process established for the formal annual stewardship of chairs and scholarships, but we still have to work towards formalizing how we steward all other endowed funds.

Do you feel you have sufficient funding to complete all of your stewardship needs?

To me, funding has not been an issue or concern. Now that our team is fully staffed, I feel as though we are able to better meet the needs of our Med DAR team, as well as the needs of our donors. Staffing seemed to be the only concern as the Med DAR Stewardship team was just recently created in 2008. Prior to the creation of this team, there was only a Stewardship team on the University Central side of campus. Most of the Medical Center DO's were responsible for their own stewardship, which became an afterthought to the DO's once the gifts arrived.

The research breaks stewardship down into 4 parts, reciprocity, reporting, responsible gift use, and relationship nurturing. Do you feel your stewardship practices focus specifically on any one part more than the other?

I feel as though our role here has focused more on reciprocity, reporting, and responsible gift use, rather than relationship nurturing. We currently leave relationship nurturing up to the Development Officers, however, we provide DO's with information that hopefully builds their

relationships with their donors. Reporting has also be a large part of our responsibility, as we did not have much of the reporting standardized or streamlined, and creating that has been much of what our job has been about over the past few months. We also find that as we begin to use reporting and standardization of gift agreement templates, that we discover ways to ensure each gift is used responsibly. Our past has shown us that documentation is critical in determining the exact use/intention of donor's gifts, and we want to make sure that we always use the gift as the donor originally intended. The creation of templates for gift agreements has absolutely been a large part of our job on the Stewardship team and this leads us to using gifts responsibly for the donor and our institution.

Do you feel there is an increased importance of stewardship due to the recent economic decline?

Stewardship is always an important part of fundraising, but it is especially critical during economic declines. We want to make our donors feel as though their gifts have, and will continue, to make a difference to our organization and what better way to do that than stewardship! During an economic decline, many times donors are not able to give or have cut back significantly on their giving, so this is a great time to steward them for their past gifts, and cultivate them for their future gifts once the economy picks up. Many times donors feel as though they only are contacted when we want to raise money, but this is a great time to show them how much they mean to us as donors and how important they are to the mission of our institution. They truly have an impact on our vision, and we want them to be encouraged by their previous gifts. In short, YES, I definitely feel as though stewardship is even more important during an economic decline.

Those are the main questions I had for you. Is there anything else?

I can't think of anything. I have on my list that I will send you a fact book. I had that I would confirm when the chancellor sends thank you's and I will find out what our annual report is.

Would you email me your snail mail address? If I find our fact book, since we are in our period of reprinting I'm not sure the old one is still on-line. If it is still online I will send you the link.

## **Interview F**

Hello Megan, how are you.

I'm great, how are you doing today?

I'm doing fine.

Good, thank you so much for taking the time to speak with me today. I really appreciate it.

My pleasure. I'm going to just pull my door shut a little bit because sometimes there is noise out in the hall.



Sure.

Hold on one moment, please.

Okay.

Okay, I guess if you could kind of just start by giving me an overview of the foundation, kind of its roll, your staff, you know, kind of the basic overview of what you all do.

Can you refresh my memory because I think it's been a couple of months since you initially emailed me?

Sure.

What is the focus of your work? Is it on donor relations, or what?

Yes, it's specifically on donor relations and stewardship practices. Kind of how you all create, maintain, manage relationships with donors.

Right, okay. Well we are a 315 bed hospital, so we are the foundation for the hospital and part of a whole health system that has a few other components. Our medical staff numbers more than 250 professionals, and there are more than 2,800 employees. I've been here for 16 years; we have a very small staff. When I first started, it was just me and now it is me and one other person. Our CEO recently hired someone who had been working in another capacity, in a contract capacity for us, and hired him to do planned guests, but he reports directly to this CEO, although he is kind of part of our department. It is just kind of a special project with the CEO.

So really it's three, but on a day-to-day basis, to kind of get the work done, so to speak, it's two. We rely heavily on volunteers, so we're in kind of a volunteer based model where we have five development committees, annual gifts, corporate relations, planned guests now, you know the other person is working with that, special gifts and signature gifts. Then we have a foundation board that the chairs of those committees sit on along with hospital authority members and some administrators from the hospital and representatives of our employee giving program and our auxiliary, which are very important components of what we do.

We tend to work mainly on a campaign basis, so we're just in the last little threads of a of an (inaudible) services campaign. And our campaigns have been pretty capital based, but with some endowment components as well. We're not really sure where we will go next since times have changed, my CEO really wants me to continue to focus on cancer care services because the services that we have raised money for and built some centers for are support services, non-medical support services and their (inaudible) to anybody in the community. So he wants me to continue to raise money, you know, since the endowment has been down and it has been hard to support it, we can continue to do that.

So I'll pause for a minute to see if you have any questions.

That's okay. The development committees, who are the members of those committees?

Community members at large. We have a chair of the foundation, and advise chair, and then they are also kind of chaired overall the committee chairs report to them, although they're just volunteers, not just volunteers, obviously, but they're volunteers and it all goes through our office.

Okay.

But they're all community volunteers.

Okay, great.

And we tend to have people stay for a long time.

That's good.

Yes, good and bad.

Yes, I guess that's true.

How, kind of, I guess in your words, or how you all operate, how would you define stewardship and donor relations, and what you do?

Well, I would say that it would kind of be based, you know, of course, it starts with just the cultivation, and it starts with we're very lucky that we have a good service or product, if you will, in the hospital and people want to be involved. So certainly with the cultivation, but then because matching things that appeal to people's sense of ownership, you know, what they want to support in the hospital, and then developing very sincere relationships with them and continuing those.

Great.

And things that aren't contrived, but real sincere relationships.

And would you say, kind of building those relationships plays a large role in your fund raising process?

Yes, yes. Because with these special and signature gifts, it takes time to develop them, and so yes, it does play a big roll. Both for me and our volunteers as well.

Right, okay.

And administration.

And, I guess, could you tell me next, a little bit about how you all show appreciation to your donors, whether it's through thank you letters after donations or phone calls, things like that, ways in which you show appreciation.

Right, right, well certainly those specific ways, and visits as well, you know, especially if it's somebody who, you know, we have one donor who has some health issues and is unable to get out, so if we've had a party that she is not able to attend, I'll go and take the pictures from the party, and we will just sit and visit and look at the pictures and while our signature gifts chair lives down the street from here and we'll go and take, you know we're in the south after all, and we'll take some pimento cheese, roses and you're in Tennessee, right?

I'm in Louisiana.

Where?

Louisiana.

Louisiana, okay, one of those southern states...

...right, right...

...I couldn't remember which hospital you were at. You know and that sort of thing. You know, and depending sometimes, it's visiting at an office; it often is visiting at home, or taking somebody to lunch, to dinner. I mean we recently were with our special G.I.F.T.'s Committee, they met their goal for the campaign, now these are volunteers, but they're all donors as well, they met their goal for the campaign, so I said, instead of, well you know we have lunch meetings at the hospital, let's go out to lunch. And again, we have to be careful these days, and I think that's part of the real, kind of difficult rub, I tend to be pretty frugal, so you know, and I think your donors want you to be very cautious with the money.

Right.

And so I said, "why don't we go out to lunch" and the chair said "well, what about dinner". So we went out to dinner, and they all offered to pay, but I paid, so the hospital paid for the dinner. We don't do that real often, go out for a dinner like that, and this was like a committee of say a dozen people, including their spouses. You know, so those kinds of things are nice. Getting to know people in a different basis than just coming over to the hospital. Certainly private tours, people really enjoy that. If they can't come, again, to the recognition party that we do, and it was

the first year they joined, we do these Frabel Crystal sculptures, blown glass sculptures, I'll visit them at their home and take it. You know, other little things like that. Certainly cards and that

sort of thing as well, hand written notes in addition to the formal thank you letters, I like hand written notes.

And that is what I was going to ask you, your formal thank you letters, do you all kind of have a protocol for that, like as soon as you receive the gift, is there kind of a time period you try to get that thank you letter out?

Oh, yes, within 24 hours.

Okay, 24 hours.

And we've rarely missed that; it might be only because it's a holiday. We are VERY meticulous about that, in fact, it's kind of funny, I was in the office of our corporate communications director, a month ago, or something and she went "OH, I've got a check for you from Georgia Power, I was down there for a meeting and they gave me a check to give to you". And I looked at it and the date was weeks before. And I went, when did you get this check? And she went, oh, I don't know? Last week or the week before. And, of course, it could have been dated before then, and I was NOT a happy camper and I think she kind of took a little offense. And I said "Elaine, that's just one of the things that we feel VERY strongly about". So she picked up the phone and called the person who had given her the check and said "I'm sitting here with Heleen, she's appalled that I held the check". I kind of got mad at her, frankly, but it was one of these, we come from a different prospective...and so yes, within 24 hours.

And are those thank you letters just kind of off a basic form letter?

No, they get personalized. It certainly often starts with a form letter, but they definitely get personalized, in fact, our CEO made a gift, while I was gone last week, and our CEO made a gift, and so Donna had done, you know, kind of a standard letter, and sometimes she'll really personalize them nicely, but I just said, "I'm going to redo this letter a little bit", and kind of used the form letter and certainly coming from, very often the CEO and foundation chair, I have them sign the letters, or I will sign for the foundation chair, I never sign the CEO's name, but some letters, I did the year-end mailing and I signed them, the thank you letters. I mean, it's a matter of kind of convenience there.

Right.

First time donors, do you all treat them any differently, I mean, I know they get all the kind of thank you letters and everything like other donors would, but is there any kind of information that you send to them off the bat, is there any different ways that you treat somebody that maybe donates for the first time?

Not really. That happens to be a very good idea. Now sometimes, if it is somebody, we have something called the Pillar Society, and you know, we have different giving clubs, and our Pillar Society is gifts of \$1 hundred of more on an annual basis and somebody might donate \$1 hundred and if so, we send them an application to join the Pillar Society and mention that in the letter. We're not asking for an additional gift, we'll just say "if you would like to join, this gift will count towards that". But no, we don't, and I think that is a good idea though.

Could you tell me a little bit more about your giving societies and how you kind of segment those, by giving the level and what benefits they have.

Certainly, they start with the Pillar Society, well, let's go back; we have an employee giving group.

Okay.

That is just a fantastic group of people, in fact, I had to have some blood drawn this morning, and went to one of our lab outreach, and the girl was wearing a GIFT pin that stands for getting involved for tomorrow.

Okay.

So I was able to personally thank her for doing that and explain what my roll was at the hospital, and she said "oh, we don't even miss it and its great!" And so we have almost \$2 thousand employees, who are members of GIFT and they get some very nice recognition. They have a pin that they wear on their name tag, we do a couple of things through the year to honor and recognize them with kind of little either notes that we send them, postcards at home when we dedicated our mobile mammography unit that they purchased. It's going to be our 25<sup>th</sup> Anniversary this year, we're going to do a very special ice cream social, we started doing some little ice cream, you know, pick up popsicles in the summer, and we're going to do something like the silver anniversary, real elegant, for that.

Neat.

And so, when we go out into the community, that is just a great way that we always go out and say we give at home first, our employees, we have about \$140-\$150 thousand per year.

Okay, that's great.

And as far as community members, and hospital employees, we did start with the Pillar Society, and there's different levels there \$100 to \$5,500 a thousand for, you know, bronze through platinum, and again, those are people who contribute on an annual basis. Now sometimes we certainly have what we call "lapsed pillars", and, you know, they may join one year because you might have solicited them, and so they're going to do that as your friend, and the next year, somebody solicits them for something else. So that's always been kind of a tricky thing, they,

you know, to keep them engaged, not all of them, but, we have an annual event where we recognize someone in the community who has volunteered for the hospital and in the community as a humanitarian of the year. And so they're invited to that. So, if you're an employee giving at that level, \$100 dollars per year through payroll deduction, you're a member of that also, so it's both community and employees.

Okay.

So we do that. We used to give plaques for that, but frankly, they got very expensive, kind of dated looking, so we have kind of, there is a local artist who does just wonderful watercolors of different scenes and (inaudible), so we've commissioned him to do some very nice pieces he's done, I think three for us, of scenes around the hospital that depict the healing nature of the center and Foundation. So at a certain level, the thousand-dollar level, you would get a framed print signed and numbered print.

At five hundred you get the signed and numbered print.

Two-hundred we had no cards made with that picture in it, one-hundred note pads. We did that for three years and then the last year we just did some decals. You know, like you see people have...let's see, in Louisiana...I don't know what they might have, but you would see like HHI, Hilton Head Island.

Right, right, right.

You know kind of looking like that. And you know, as the economy got tighter and people go "I don't need a print, I don't want a something". So you know, good luck trying to please everybody.

I know, I know.

You know and, of course, we use the, you know, and I do believe in this, that even if, you know, we will honor whatever you say, as far as recognition, but if you let us recognize you other people can see the you're a donor and they go "Well, you know, if Megan supports that, then I think it's a good cause and I'd like to do that as well."

Right.

So, we have gone to paper graphics in the lobby so that we can change those out the members of our employee giving program and of the Pillar Society. Then we also do Gifts of Tribute; so if somebody makes a Gift of Tribute of a thousand dollars or more or if cumulative a thousand or more is made in honor or memory of someone, their name does go on a bronze plaque, you know, just like a nameplate. And so we do that. Then we have our Cornerstone Society; and that's \$10 thousand and above and it can be paid over a period of three years and so they get recognized in the lobby as well; and that's where we have this annual, sometimes semi-annual,

depending on the economy, you know there was one year that we had closed some services at the hospital and some layoffs and it just didn't seem appropriate to spend \$10 thousand for a party, so we didn't do it; so we do that and that's where they get that Frabel sculpture. And we have instituted a sustainer level, so if you've paid up your Cornerstone and you commit to a thousand dollars or more annually, you can be a sustainer.

Then we have our Heritage Circle, which is our planned gifts recognition. Back to the Pillar Society; that group sponsors this Humanitarian of the year, and I think I kind of stopped at that point. We have an annual reception, as I said, a lot of people are invited to; it's where the award is presented, but it's also a time to recognize our Pillar Society members.

Okay, so they're all invited?

Pardon me?

All Pillar Society members are invited?

Yes. Whether they're through the hospital or community; so long as they donate one hundred dollars or more per year; you know, and commit to being a Pillar Society member. It's different than say making a gift of tribute for a hundred dollars.

Right, okay.

And last year was our largest turn-out ever; we did something kind of unique. We had gotten involved with; it's a nice thing through a university town.

Right.

With the University gymnastics team. Are you at LSU?

Yes.

Yes, so you know, LSU has a great gymnastics team, and unfortunately, one of the girls on the squad had developed breast cancer when she was 21 and stayed here for her treatment; so at the time, ironically, we were building a Breast Health Center, it was one of our foundation projects, so we got involved with her, we were already sponsors; and just over the years they did some wonderful fundraisers for us and raised a lot of money and a room in the Breast Health Center is named in honor of Tahlia. And she's doing great; all these years later; she's getting married this year.

That's great!

She's just doing wonderful, but she doesn't live here anymore, but she's coming back to get married, but the coach, Suzanne Yoculan, retired this past year, in 2009 after 25 years and many

national championships and whatnot. So we did our Pillar Society Reception to three things; Pillar Society members recognize the Humanitarian of the Year; They recognize Suzanne; And they recognize the team.

That's great.

So we had this artist, who I'd mentioned before, I commissioned him to go to a meet and paint a picture of one of the meets.

Oh that's great!

And he featured her, she's a real snappy dresser, and wears spiked heels and (inaudible) and whatnot; it was darling, she was featured in there; and then we had small prints made and framed for all the girls.

Oh how great!

And it was, you know, here's the thing, it was a pretty, inexpensive, but very meaningful thing to do; so all that said, and I may be going off of a tangent, but don't think you have to spend a whole lot of money to do, you know, some things like that. And it was just a huge success, and we held it at the wonderful practice facility, and the public can't just go in there, so it was a nice way to get folks into a place that they normally would not have been able to go. So we're trying to make it unique again this year, it's like, okay, (inaudible) or something?

How do you follow it, yeah?

How do we follow that? So, again, I think uniqueness, the things that you couldn't ordinarily do are good.

Right. And I guess what I was going to ask you a little later is kind of tying your, you know, appreciation recognition back to your mission; it sounds like those are kind of the ways that you, you know, show appreciation, but also bring it back to what you're doing; you know, with the pictures of the medical center, and things like that.

That's right. Because we always give kind of an update on what's going on at the hospital, or certainly with the Foundation project and yes, you do have to bring it back and tie it in. And you know, I think more and more people are certainly interested in their health and healthcare in general and you know, at the same time, we're the second largest employer in town, and so we can take some punches; you know, we're doing construction that's been on the drawing board for a number of years, and, you know, we started charging for parking in 2008, which was a VERY big deal, and we got about three of our year-end appeal letters back, the envelopes back, with notes, take my donation out of the parking fees; take it out of the salaries of the CEO, you know, because those things get in the paper; so I think you know, I mean, both the good, the bad and the ugly, but overall the good.



Okay, well great.

Do you all do anything like a newsletter or things like that? What are some ways that you communicate with your donors?

Well, we don't do a good enough job with that, I'll be very honest. That is something that just with the small staff, we haven't done it, on a regular basis; and I don't know what you're finding in talking to other people; I think it's very effective. What we've done is, see we used to have a hospital magazine and ironically, it was called "The Cornerstone Magazine", and it came out quarterly, so we had a big part of it, and we could recognize our donors and articles and pictures and whatnot. Well, the quarterly magazine went to three times a year, went to two times a year and then, budget wise, went away. It's been gone for a number of years. So we did what we called in 2005, a Millennium Report. It was a really nice report, it was more like a booklet, of an update of the Foundation projects, and donors too, you know, the most recent couple of projects. We're going to do that again this upcoming year, it's our 25<sup>th</sup> Anniversary. One of the things that we're also going to do is some recognition in the newspaper; and people like to see their names in the paper, and it's always hard to get articles or pictures in; like we just had our big ground breaking for our Healing Lodge, which is the most recent project, and the signature piece of our Cancer Care Services, and I'm in the newspaper. One of the reporters came, there were no pictures, and he spelled the name of the lodge wrong. I mean, this is someone who has been in this town for years; it's kind of a rinky-dink newspaper, so we are going to take out some ads recognizing donors. And we're going to do something called "Random Acts of Recognition". Just again, little quiet ways to kind of show up at people's homes, or call and say, "I just wanted to come by and say hi or thank you, and here is a little..." You know, somebody had seen this idea of kind of just like a little, almost an artificial flower, you know, tied with a ribbon and something from the hospital, just a little touch. There's so many things that you can do, I mean for this groundbreaking, we had called it when we did the groundbreaking for Center, which is just an extension of; we called it the blessing of the grounds, so we called this the ground blessing. And there are a lot of oak trees on the property and acorns. And our Corporate Communications Director had seen something about acorns and the symbolism of an acorn. So we ordered little pewter acorns for a dollar and tied them onto tiny little cards with a ribbon and said "Great oaks from little acorns grow". And (inaudible) everybody's speeches about the symbolism of oaks and the stability and acorns and healing and what not and these are things for people to keep in their pocket. I mean it cost us just a dollar.

That's great, that's a really neat idea.

But it gets the name out there and, you know, we have a good time doing it too. So there are little ways to do that; I mean, we could order more and I could take those to people who couldn't come.

Right.

And some I have delivered to people who couldn't come. You know, just stop by their office and whether they're there or not, it's just a little something symbolic and they think about us.

So other than your millennium report, maybe the one that you're going to do this coming year; do you produce any kind of annual report type thing that the donors have access to?

No, we don't.

Okay.

Let me see, I think I...no.

One of the things, in fact, somebody just, I think it was actually my son who lives in there and is real active in the community there gave me this great thing that I think we're going to produce and we can do this, I'm pretty sure, and order; it was almost like an update, a two sided thing all about the hospital. And it's just kind of a great thing to be able to mail out or email out. I mean something else we do is, with the Cancer Center, there's a newsletter and I write a monthly column for that and all of the donors to the Cancer Services are listed there; so they do get listed there and that's online as well.

Oh, that's what I was going to ask you. Do you all use any emails as a form of communication, or, you know, things through the Web site; are you using any of this new technology to get in touch with people or...

No, but it's something we'll start doing...

...planning to...

...and, in fact, we're starting a Young Professional's Group...

...Oh, great!...

and we've already had a couple of meetings and it's going to be like an under 40 group, and that's certainly one of the things that we'll work with that group and also, we had a Facebook page for our Walk; this was our fourth year for the "In their Shoes Walk", and it's a breast cancer walk that benefits all the services at our cancer center...

...Yes...

...and so we had a Facebook page for that.

Okay, great!

So that's kind of a little more passive because people have to know about it to go to it.

Right. The “Young Professional’s Group”, is that...what’s kind of going to be the role of that? Are they going to be volunteers and donors?

It is going to be...what we want to do is, of course, cultivate them to be volunteers and donors; it’s kind of taking a little different turn than we thought it might, but in a good way; we started out with a Focus Group, again, being lucky to have the university here, we have interns every semester. And so, this past semester, we were lucky enough to have a FABULOUS graduate student in the Non-Profit Program as an intern; and so one of her main assignments was to develop this program that we’ve been thinking about for a while. So we’re going to start out with probably 30 people, and they’re kind of handpicked; you have to be invited to be on this steering committee. What I see them doing is us having...they don’t want to come to a lot of meetings...so having quarterly, not seminars, but little workshops if you will, at the hospital and maybe the first one would be welcomed by the CEO, by the CFO, who is very personable and a lot of people know him, just to learn more about the hospital in general.

Then again, tours of areas, maybe to see a new department; to get to tour the Emergency Department, you know, learn about things that they might not; you know the mother/baby unit, of course a lot of them are young couples; and that sort of thing.

And do some minimal fundraising, but hopefully, they would want to get involved so that, for example, when we have our “In Their Shoes Walk” in the fall, which is a huge fundraiser for us, they might want to do a special event for it.

Okay, Gotcha. Yes, I think that’s a great idea; I think that organizations are really trying to do that as well, to kind of cultivate this new group of donors out there.

Right, right. You know, and like they’ve said, when...so when we started out with a Focus Group of about eight people, and, you know, one of the girls had walked an “In Their Shoes Walk”, and she said “I didn’t know that much about the hospital before, but now that I’ve walked” (and for walking’ in their shoes, you’ve got to raise a thousand dollars), and she said “but now I’m inclined to donate because I see where my money is going”.

Right.

And we’ve kind of come up with a group of names to invite to be in the group, but the little Focus Group took so much ownership in it, we’ve had one follow-up meeting with them...they’re...we’re meeting again next week, at night, so we can meet for a longer period of time and they’re going to bring suggestions.

That’s great!

Which is great, and again, it’s taking a little turn, in that I thought we would kind of be hand-picking them internally, but if they have ownership in it, they’re not going to bring in people who

wouldn't be good; I mean, you know, we picked some of the cream of the crop. I think it's great that they're so excited.

Exactly. Ok, well that's great! That's very exciting.

Yes!

Let me see, I'm going through my list. Let me see, we've covered a lot...

Now are you a Grad. Student as well?

I am, I'm in Mass Communication, so...and I'm just kind of...my degree will actually be in Public Relations, but I'm just kind of choosing to go this route of public relations; looking at, kind of, fund raising and donor relations aspect of it.

That's great. That's great. Well our intern this coming semester, she'll start next week, is getting her Master's in Public Relations.

Yes, so it all kind of melds together.

I'm sure it does, I'm sure it does.

Let me see, do you all have kind of a formalized outline for Stewardship Procedures? I know a lot of organizations say they just kind of do it as it comes, the new steward people...

...you mean for recognition?

...yes, or they kind of do it as necessary, but do you all...kind of, do you have a formalized plan, or is it just kind of, you know your donors? How do you all go about it?

We do, I mean, you know, I would say that the visits and what not, that's not a formalized thing, but we do have a formalized plan with all of the, kind of the hardware recognition and the letters and the events and that sort of thing.

And, another intern put that together for us; we couldn't live with our interns, honest to goodness.

That's great! Yes.

Yes, but I mean, with stuff that we already had, that he developed kind of a template for it. And now he works at the hospital!

That's been such a neat thing for us, just as an aside, and you might appreciate this, he happens to work, you know, with our Sunrise Program, but in I.S. But, you know, he was also a Non-

Profit Major, and another one of our interns who was a Grad. Student is one of our volunteers now. So I think they really enjoy being at the hospital. You know, they look at it as a great place to be and we're THRILLED that they want to stay!

Definitely!

Would you say that kind of the level of stewardship that you give to your donors depends on the level of their giving? Like if they're giving at a greater level, you're going to pay more attention to them; personalize it with things?

Yes, probably so, and you know, I probably do more stewardship with our volunteers just based...and they're, as I said, donors as well...based on kind of the structure that we're pretty heavily involved, you know, and volunteer based. But probably so, surely, surely, yes.

Other than, you mentioned the Focus Group, are there any other ways that you all have tried to access, kind of; you're donor's needs or wants through maybe surveys or other things like that?

No, not in a formal way. No.

Okay.

And then, do you all involve your current donor base kind of in the cultivation process of maybe newer donors?

You know, we have tried that, with a little bit of mixed success; we've tried it in particular with the Special Gifts, the Cornerstone Society, and that's the \$10 thousand group of donors, where we have said...sent out a letter saying "you can invite a guest to come to the Cornerstone party. They, of course, will NOT be solicited then". But it would be understood that we would like to solicit them, or at least, you know talk to them afterwards about Cornerstone. But it's met with mixed success there. I think, maybe if we...and that's done more on a letter basis...maybe if I called somebody and said "hey, is there somebody you would like to invite?"

You know, I have a friend whose husband is a neurosurgeon, and I was thinking about her the other day, anyway, somebody mentioned another doctor in their group, and you know, maybe he would be a good, you know, prospective member of Cornerstone. And so, I might say "Carol would love to invite Dr. Barnes and his wife to come, would you be their host for the evening?"

So I think that may be a more effective way than sending out a letter to all two hundred and something members, to do that.

Right.

We haven't done it at the lower levels. But that's a good idea too to say "bring a guest."

Do you all have a database system where you keep track of your donors?

Oh yes, Razors edge.

Okay, okay. A LOT of people are using that.

Does everything but clean the windows!

That's...I don't have any experience with it, but I've heard...everything I've heard is just amazing.

It is amazing and Dharma, who works with me, who is our Office Coordination, I mean, she makes that thing sing! She loves it! And she's gone for Super user class and whatnot. It's really great and most of the people I know use that now. There used to be some others...Donor II...but yes.

What do you all use?

Well actually, they are still using Donor II, but they're trying to transition into a new one because it's not...it's just not up to what they need, so.

Yes, and I'll tell you, it's expensive, and every year we're writing a check for over \$3 thousand, you know, the annual fee. But you get all the upgrades and phone support and what not. It's been great. And you know, a donor will call and say "can I have this, this & this?" and it's like that and Dharma just letter merges with it...I know it saves your time...we don't use the accounting module, but we compare those reports with, you know, our Excel reports and accountings reports and that's how we balance and it's just been wonderful.

WOW! So that kind of helps you, I guess, keep track of donors over time.

Yes.

Donors that kind of, maybe fall off your map for a while; don't give for a few years, how do you all manage that? At some point do you stop contacting them?

You know, and again I will say, on those things we're a little passive than we should be. You know, we sometimes will do like a lapsed Pillar mailing, and we'll say, you know, "we've missed you (that sort of thing), we hope you'll consider, (and our Pillar Society Reception is coming up) rejoining." And that meets with mixed success. I think, you know, we've done some phoning kinds of things before, a little different, kind of like membership drives, by phone, if you will, or follow-up on the letter. Our volunteers don't like to do it and it's not always well received, but I think when I call people, it seems to be pretty effective. You know, at least you kind of...they know you're thinking about them and they might not give something right away, but you're in the back of their mind,

Right.

But we've been doing a little cleaning up lately because if somebody hasn't given in...well, we like cleaned up some people, we just made them inactive because they haven't given in four or five...if they've been on the list for four or five years and had never given, we made them inactive.

Right.

Like, you know, somebody who gave...and you just have to be careful, sometimes somebody has given, again it's a gift of tribute and that may be their only motivation there or their only connection.

Right.

But you never know what happens with those people.

So, any things that you're hearing from other hospitals, I'm happy to listen to.

Yes, I think that's a problem, from what I've talked to, people that kind of fall off the radar, it's, I think, more people than you think are passive about it too because it's like they're not going to focus their energy on getting them back necessarily.

Sure, sure.

They focus on what they have...your existing base.

Yes, that's right; I mean it's all you can do to keep up with them, especially when you've got a small shop.

Yes. And that's what I was going to say, a lot of places are like you all and they are small departments and dependant...you know you have your priorities on what you've got to get done and it takes a lot to get them done.

That's right, sure.

I know, from what I've seen, so, but yes, it sounds like you all are doing a very effective job where you are and knowing your donors very well, in what you're doing.

Yes, I mean, it's a town of about a hundred thousand, so, you know, you can know people.

What are some of the challenges you/your organization faces in implementing stewardship as a part of the fund-raising process?

Definitely staffing. We have been a department of two for many years, with one additional staff member added 6 months ago. With all of the administrative responsibilities, it is often hard to get out of the office as much as needed.

Of the stewardship elements - reciprocity, relationship nurturing, responsible gift use and reporting - do you feel there is one more important than the others, or do you feel you implement one more heavily than the others?

I think relationship nurturing goes without saying - I think we all do it, or we would not succeed in this business. However, keeping the donor apprised of the use of their gifts, brings their gift to life. Taking pictures from events, sending programs if they cannot attend and certainly inviting them to the facility is key.

Have you seen an increased importance of practicing stewardship due to the economic decline?

Yes. However, still given the time restraints, I am frustrated with not being able to do more. This is our 25th anniversary year, so we are planning to use that theme in a recurring manner.

Right. Well great.

Well I think you've answered all of my questions. Is there anything you can think of that I haven't really touched on that...?

I can't think of anything off the top of my head, but surely if I do, I'll send you an email and... are you going to be doing a report at the end?

Yes, that's what I was going to say. I'm going to finish compiling this, hopefully, end of February, so I will send everybody I've talked to kind of a full report. And in it, it'll kind of like... I mean, you won't be identified directly within the report... you won't be tied back to your practices, but you'll be in the index of the people I interviewed, but it'll just be kind of a comparison of practices and kind of general statements like "this seems to be what people are doing", you know "this is where, as a group, people are falling behind." You know, and different things like that.

Surely, it will be very helpful and I'm assuming that you're interning for the entire year?

Yes.

That's great!

But yes, I will keep in touch with you, and I will definitely send you a copy of my final compiled report.



GREAT! Good luck to you and I'm glad we were able to schedule a time and it's been kind of relatively quiet; there's always that first week back is always still kind of quiet.

Everybody's hard to get back to work.

Yes, exactly. I was out for a week and a half, so it's like OOOHHH!

I know. Well, thank you so much again, I really appreciate it.

You're welcome, Megan, again and good luck to you and I know you're going to do a GREAT JOB! You've asked good questions and they're lucky to have you there.

Oh, well thanks! Have a great day. Bye.

Okay, you too. Bye.

## **Interview G**

Talking about a chapter of a book she gave me...

One of these was what do you give to the [name] after they give you 20 million dollars. I knew that at their 10<sup>th</sup> wedding anniversary, she was from [name], so he had a rose grafted so that it was her rose, So we had a rose garden for her in front of the building and had an artist rendering of it and gave her that and she just loves it. They will come out and drive by on weekends and photograph their grand kids in front of it. It is really knowing what people like and what they would appreciate. [Name] has now copied it because they had a major 10 million dollar gift, so they planned for a rose garden too. But that's ok, that's the best form of flattery.

So the scope of the institutions function. Well the external relations department is stewardship, staying in touch with the supporters and being involved with functions that honor those supports and working hand and glove with the development office. And then coordinating special events for donors. Now we do give annual reports about our endowments and the faculty write the reports and we send them out once a year, unless requested more often. And on top of that, when Center Times, the campus newspaper, comes out, I will send them 5 extra copies or 10 if there is a story in there about their gift or a story about a breakthrough or about a person they funded. So they are seeing that their funds to good work.

How large is the healthcare institution?

Um, so the healthcare institution is about 12,000 employees , 1800 faculty. Lets see that medical center facts, it has all of that on there. It even has the numbers of patients. You can take one of those.

What is the age of the fundraising function?

Age of the fundraising, so we started it in 1987. When the state legislature cut our budget 16% so we decided we needed to turn to the philanthropic community. Lets see, the development staff now. There are 3 directors of development and there is 1,2,3,4 support staff. Then there is a gift records office, which Bill's group, then there is 8 of them, and that includes the (database) programmers and things like that.

Do you have specific staff in charge of stewardship?

The specific staff in charge of stewardship is me and then I rely on the others, Claire, Ellen, if I need to.

The other thing you may want to grab is the magazine in the very back, because that lists by donor categories.

Do all donors receive a copy of this? All donors or a certain level?

Everybody listed in here receives it because it is at a certain level and up. All alumni receive it, whether they are donors or not. Then, a lot of extended family of donors receive it. We code those people when we add them to advance (database), which is the big system. I will say whether they get center times, annual report, foundation magazine, etc. And actually, they have (foundation magazine) now gone to twice a year.

How do you define stewardship?

I think that's keeping your supporters involved and aware of how their funds are being used and aware of the activities of the medical center in case there are other areas where they may want to be involved.

Do you believe it is important?

I believe it is essential to the fund raising process, it is hand and glove with the fundraising structure. You would not do one without the other.

My next group of questions looks at how you recognize and show appreciation for donors.

We do annual reports for endowments. And we try to at the level of 100,000 or more, try to invite them out to have one-on-one with the person they are supporting or tour the area they are supporting. The larger donors, 10 million and above, we do that for them annually. (annual meetings/ visits). They all get invited to the holiday party, which was this weekend. All major donors were invited, probably 500,000 and above. For most people that would be 100,000 and above, but our president, when he started the development office, he found it took just as much time and research to ask for a 100,000 gift as it did for a million. And that is where the president of the institution spends most of his time, cultivating and personally engaging the larger donors. We always offer the opportunity for pledges, so they can give over time. And people like that.

How soon after you receive the gift do you acknowledge it?

It depends on the level, if it is a million or more you recognize it the same day. I sent a cookie bouquet to Simmons the day of, flowers to someone who made a significant pledge. If it is a smaller gift, well we certainly send a letter within a week. It is always personalized; it is never a form letter. There is always a personal signature, and there can be multiple thank you's. One thousand dollars and above the president signs, below that I sign it. If it is 5,000 dollars and above, then they would also get a letter from the foundation as well as the president.

Do you acknowledge first time donors differently?

It depends on the size of the gift.

Communication tools:

We publish donors in center times, names listed in the annual magazine. If it is 50,000 or more, then we put a name on a laboratory. So, we do wall plaques at certain size gifts.

Depending on the situation, like the the rose garden was a major donation. We established the 1 grove, everything they give is anonymous, but their name is on it because the faculty gave the funds for the grove. We matched the gift with institutional funds for 500 and 1,000 we would buy a tree. 60 faculty members directly or indirectly benefited from this donor. So we were able to name the grove.

We segment recognition by gift levels. And I will also give you a campaign book. They do not receive any benefits; we do not tie it to patient care. But depending on the gift level, they would receive invitations to Sprague awards 100,000 and bigger get invited to that. If it 100,000-250,000 we do a luncheon, 500,00 or more we do a dinner and ask them for a guest list. If it is 5 million or more we do a press conference. I wish you had been here for the 100 million-dollar gift. This was this past June. He has given again; he gave 10 million for the imaging center. Well he called us in June, and wanted to give 100 million and did not want to be involved in how it is used. Here is a check for 25 million and will pay it over 4 years. We said we want to do a press conference, and he didn't want it, but we needed it. So what do you give someone who gives 100 million, so during the press conference we gave him a lab coat and we had PHD, doctor of philanthropy. And he just loved it. He said the first time he got involved in the medical field was when the past president helped him pass chemistry. We told him it was for the chem. Lab. We had a private lunch afterward for his family, and the regents. We found it was the 100<sup>th</sup> anniversary of Mark Twain's death. He is a huge book lover. His personal library in his home has 80,000 volumes. So we found a first edition of Mark Twain stories with his autograph in it. I got it at Snider Plaza at the rare gift room. It was in pristine condition. It had its own little book jacket. He gave wonderful remarks. We also designed t-shirts with a compass on it and it said that the gift would help us chart the course for the future. So we gave him t-shirts, gave students the first 500 that came these t-shirts. In the auditorium, we had the flag and the American flag. We gave him an antique compass that he would take home so that he would know it was

navigation and charting the course. We did all of this in two weeks! But it worked and it was fun. Again, that is knowing your donors and what they enjoy.

Responsible use.

We let the donor know how the gifts will be used. Sometimes they do not care how it is used, I trust you. But that kind of trust is because of 25 years of doing good stewardship. He said when I gave 10 million and you leveraged it into 100 million. I now have no doubt you will use this 100 million correctly.

How do you report back on how the gift was used?

We have a very stringent endowment policy that comes out of the system and all components have to use it. I can give you what we send out to faculty every September, a copy of this

We talked about this a little, but how you nurture relationships over time?

We invite them to school, med center functions, lectures, and visiting faculty – if it is something of interest to them they will invite them out.

What is PRC exactly?

PRC (presidents research council) They give 750 a year. It is a membership thing. They come out and here 4 different lectures on research and an annual dinner. That is a membership and it is open to anybody.

Do you try to personalize information to donors?

Very definitely we try to personalize information. If I send them center times I do a personal cover letter. Like you said, I know you talk to donors personally on the phone and face-to –face, especially major level donors.

Kind of what you see in the new literature is that a lot of people focus on relationships with the major donors, but also the lower level donors need to be turned into investors.

We do that with the alumni, because they are not major donors. They may be 100-dollar donors. So we do encourage them to have scholarships for their class. So the class of 1948 might do their own internal campaign. We invite all of the alumni to campus by five-year increments, so class of 2000, 2005, etc. Each year we get everybody every 5 years and they come for a long weekend, have a dinner that we under write.

Also, a new thing is new technology as far as email, enewsletter....

On alumni information we ask how they would like to be contacted. The younger groups want email. IN the next year we will have a Twitter, Facebook, with different groups, for alums, etc.

We are going to do that. A lot of the donors have my email address and we communicate that way, and it is usually about my age group and younger that do that.

Special events?

Special events for donors include the holiday party, the foundation every fall holds a dinner and they give out awards and the service award. Donors, I think \$100,000 and up, but put in there that we also invite to those events; the faculty member is invited to come and sit with the donor to build and grow that relationship. I will email the doctors and tell them when the donors are coming so they know.

The women's health symposium – is that open to the public?

Yes, anyone can come and the 35 dollars that they pay really just pays for lunch. IT doesn't recover costs. It is a name holder, and it commits people to come. That is open to everyone, but there is limited space in the auditorium, so it fills up. Again, to nurture relationships with faculty, we invite faculty to lunch after the symposium so they can ask questions and build relationships.

The literature segments stewardship into reciprocity, relationship nurturing, reporting, and responsible gift use.

I believe we use them all, they go in different orders, sometimes you nurture, then they become major donors and then we report. Sometimes we don't even know the person and they give a major gift, then we nurture them.

Formalized plan

We don't have a written plan other than policies that are from the system. It is because it is too hard; you don't want it to be stilted. You just try to recruit the right people into the staff.

Does the level of giving determine the level of stewardship?

The level of giving determines the stewardship. If someone gives money to establish a gift, we give a chair to establish the chair. It is not expensive. It is the thought behind it; it does not have to be a chair. One time we had a quilt made and we did children's hands all over it. And we had staff/ faculty sign it. We had it quilted and gave that to them at the dinner and said you have given so much comfort to people over the years and this is a quilt to give you comfort. Orange was their favorite color and that was the backing.

Do you employ surveys or other forms of feedback?

Personal conversations and feedback, we do not do surveys. The foundation has done some surveys, but in truth they don't tell us anything they didn't already know.

What about donors that have not donated recently?

The donors who have not donated recently, we send them the magazine, the annual report. We try to stay in contact with them and we encourage involvement with them, their children, grand children, as they become age appropriate.

Do you build relationships between donors and staff?

We do build relationships with donors and the staff, but it is most important to have the president building the relationships. We tend to use the development staff to build relationships with foundation staffs.

What are some challenges that you/ your organization faces when trying to practice stewardship with donors?

Building the appropriate size staff is always difficult in development. Success in fundraising means increased responsibilities with stewardship, which can translate into more staff and/or more staff hours. Semi-Annual or annual reports are important; fiscal reports may be required; cover letters that are personalized are important and all of this takes time with staff that pay attention to detail. Family Foundations require reports to multiple family members.

Oftentimes repeat donors request grants for future giving and one wants to be immediately responsive. Without competent staff and/or a large enough staff, this can quickly become overbearing.

Also, with the current economic downturn, have you seen an increased need for the practice of stewardship?

There may be an increased need in another year or so; we haven't seen it yet. If one is practicing good stewardship then the economy shouldn't impact the practice. What is impacted by a poor economy is the need to find new donors and make new relationships. Developing a research staff becomes extremely important as well as someone that can concentrate on planned giving.

## **Interview H**

And then I guess, yes, more information about the size development and staff that you all have to work with.

(Inaudible) Well we've just recently organized our development function and so we are beefing up on our... (working on printer). Ok, why don't you read over this, it will probably help you.

Yes, this is perfect.

Then let's see...From, let's see a history...

It does not need to be detailed, just when it was founded...

Well, we will be 100 years old in 2013.

Yes, okay, I just need basic, just to kind of compare across the board with the other people I'm talking to.

Let me see, I may be able to find you some sheets that, ok we have about 13 thousand active donors. We used to have a specific staff member in charge of stewardship activities, but that position is going to get redefined, because what she ended up doing was more like recognition versus real stewardship. But we do do stewardship reports. So we take...would you like to see a copy of that?

Sure, that would be great!

Okay, so let me pull that for you because I believe that might be helpful.

Yes, it would be very helpful.

We take our most common areas, and write...okay, I don't know where all our stewardship reports are...

It's kind of like a progress report type thing? On what's going on, or is it...

Yes, that's exactly what it is, for our donors.

How often do you all send those out?

Annually.

Okay.

So we do an annual report, and then we do stewardship.

Okay.

So I'll pull you one, what would you like to be on? How about if we just do the 2008 accomplishments?

That sounds great.

So that would be like a general gift.

Right.

And we would send these out.

And then they're, kind of like you're saying, depending on what specific area they gave to they'll get specific...

They are going to get a more specific...

Unless it's a general gift?

Right. So this would be like a general gift.

And do they go to all donors, or is it just a specific giving level and above?

Well, it just depends on where they are in the cultivation plan and how much contact we feel we need to have with them.

Okay.

So it's an opportunity to reach out and touch them and give them a little more information about the institution.

Right. And then kind of a broad thing, you know, maybe how do you all, maybe as an organization, define donor relations? Is that a big part in what you all do here? How do you all weigh that against other cultivation or solicitation?

Well, what we do is we have what we call portfolios. So a normal size portfolio for one individual is going to be about 80 people, maybe 120. I have 305 people. So, not everybody is in the same stage. But, like for instance, I have 48 people currently in solicitation. I have 55 people in cultivations. So that means that I'm working with them to get them within the next three years to make a gift, a major gift, because I only do major gifts. So a major gift is going to be anything \$25 thousand and above.

Okay.

Facts: 13 thousand active donors; Patient visits 360,000 visits each

But typically, we have a very small group of us, there are three of us that do major gifts, so major gifts are the multi-million dollar major gifts. It can be a quarter-million, one-half million, one-million, ten-million, twenty-million, fifty-million, one hundred-million. So that's three of us. EEK.

Yes.



So, this is what you may see for the accomplishments.

Okay, perfect.

Just kind of a general overview, and then you have achievements and then any new programs and services. So we brought legacy online, looking ahead, what are we focusing on and then also the main hospital and what's happening there and then our appreciation for their investment and then (Inaudible) today, where we are today. So, you can have this as a copy, so cultivation and then stewardship. I have 76 people in stewardship, so that would be folks that have given gifts, whether they're outright gifts, or whether they're pledges. So I'm still reaching out and touching them at least once every six to eight weeks in some form or fashion. And most of them, I have their e-mail addresses, and we have researchers so we intertwine, so if they send me a research article where it's a newspaper clipping, I'll send it to them and say congratulations, etc. and that's still reaching out and touching them, right?

Exactly.

So, I'll tell you what happened to me last week, ok, let me think, I might have taken it out of here, let's see, Barney, well, my researcher had sent me an article on this moving company that a donor friend of mine started, and it's a non-profit, so I sent the article to him and said "congratulations, etc.," so he was like, that's so nice of you, oh my gosh, where did you get this from? So I'm not even sure that he knew it was...knew about it, knew that it was published, or whatever.

And then lastly, you know, you have your prospects, right, for your qualifications. So these would be quals. that our researchers have researched, they have propensity to give, maybe they know somebody who knows them who says "hey, they would be good", so I have like 27 quals. So these are folks that, when I don't have anything to do, I might just pick up the phone and call two or three of them and invite them to the hospital. Look and see if they've made any small gifts and maybe invite them for a lunch and a tour and ask them why they made their gift, tell them how grateful that we are and go from there. (Telephone rings)... (Inaudible) I'm talking to Megan Moses, oh yes, about 10. I don't know, but I'll call you back, okay? Okay, bye...

So that's kind of how this is structured...

...the process...

So it's like qualification, and then if you qual. somebody, then you move them to cultivation, and the cultivation process, some people, you know, I've had some people call on the phone and say "I want to get involved, I want to know everything that you do", and you're thinking, sure you do. And then low and behold, you have lunch with them and you tell them "okay, we do the golf tournament and this is what the golf tournament supports and we have the children's parade and it supports child life and we have endowments that you can designate your funds to support a particular program for, you know, the minimum is \$25 thousand, it's a legacy gift, you can add to

it every year, it can grow and so forth and so on. You know, we have trustees, big board members. Okay, I want to do everything. You know, kind of our annual kind of giving level starts out at \$1 thousand but goes up to like \$10 thousand. You know, it just depends. Some people come straight out of the shoot from qual. to stewardship.

So how do you, Children's define stewardship and donor relations?

Stewardship means "taking care" of the donors who made a particular gift, assuring that they are communicated with regularly and making sure that the gift agreement is followed. Basically, that we "Children's" are doing what they intended by making the gift to the hospital.

The next big section is kind of how you all show appreciation to donors for the gifts, whether it's phone calls or letters or whether certain level donors get a personalized phone call or letter versus form letter.

Right, well every donor that makes a gift gets a receipt that looks like this, and then gets a letter that's just basically a general letter thanking them for their gift. If it's up to \$10 thousand level and above, then they've also made it to Circle of Care. So there will be a separate letter that will be generated from the CEO's office at that level starting at the \$10 dollar level... So then he will incorporate Circle of Care into his letter. Our letter is just a basic general receipt letter. Then, if the particular individual is under management, like this person, then I will sit down and write a hand written note thanking them and so forth.

Okay.

So there is actually, there can be up to three touch points. Sometimes, if that seems a little too much, if I just recently visited with them and they have made their gift, we send them their receipt, I'm signing their receipt, I may just write a little note over here on the side. Which is probably what I'll do with these two particular letters that we're going to send out. So just kind of in general, but typically, when you are trying to get to the point of a person making a gift, you have to know, I mean you can't seem too contrived.

Right.

But we do have things that we do within the hospital that you can always offer up to them. We have externships, so if we know they're interested and they have come for lunch and kind of a general tour, then we may suggest that they immerse themselves a little bit more and we have externships, they are like one-half day, they are very specific service focused. So say it's cancer and blood disorders, they may have an opportunity to meet some of our oncologists or some of our hematologists, spend the day with them, tour maybe one of the research labs and then maybe sit and have lunch with them and then any questions they may have, they can ask. So that's more personalized and those are usually smaller groups of maybe like eight to ten. So if we glean that there is more interest there and now we've done our research so now we know that there is capacity there, then we may dip the tail a little further; see if we can bring them closer.

Gotcha, makes sense.

So then, once they have attended that, you automatically have another step, which is to follow-up with them and see what they thought and then what kind of...

...where they want to go from there...

...right. You know, how do you see yourself being involved with the hospital, where would you like to plug in, and some people, they just self-solicit at that point. They will be like “oh, I want to make a gift to the heart program or I want to make a gift to the cancer center”. Oh my gosh, I’m so amazed. So that’s a really good tool for us. Some people are a little bit slower to, you know a little bit more hard to gauge. For instance, I have a man that I work with and I can talk to him all year, but he is not going to come to the hospital and he is not going to come to an externship, but he has granddaughters and he LOVES the parade.

So that’s his thing.

That’s his big thing, that’s how I get to make sure that I see him, is either by delivering those parade tickets to him or making sure that I’m there talking to his wife and his daughter-in-law and his son-in-law and his son and making sure that I’m kind of the “keeper” of that. So we have the ability to cultivate in those kinds of situations. So that’s part of the whole, and everybody is different. Everybody likes something different.

Right, exactly. Maybe first time donors, do those get anything different?

Every donor...

I mean, you have touched on that a little bit...every donor gets this, but now, if the donor is under management, then they are going to see my signature or they are going to see whoever is their handler, they are going to see...

...whoever is their officer...

Right, right, right.

As far as recognition, do you publish names in newsletters or...

We have an annual report, which I can give you a copy of...

And who all receives the annual report? Everybody or just...

Anybody that gives \$1 thousand or above for sure. And then anybody who might be a prospective donor, that we are having lunch with because they are going to look in here and go

“my friend, I didn’t know they gave”. So it is a really good tool and there are always really good stories.

So they are listed in there by giving level?

Yes, they are. And whether they have an endowment or whether it is a foundation, like here are all our endowments. And so it may be the Endowment and it supports general hospital needs. And then we have a society. And these society are folks who have told us that we are in their will. So we haven’t necessarily realized these gifts yet, but at some point in time. So we have maybe an event, a luncheon, once a year for these society members. Or like, in the spring, we are planning probably a garden party, because we just opened a new children’s garden at the front of the hospital, so we will have a special even and tea maybe for these members. They tend to be older and they like that kind of stuff.

Yes, definitely.

And it is an opportunity for us to interact with them

Okay, Circle of Care is your \$10 thousand and up?

Yes and lifetime members in the Circle of Care are anyone who have given, cumulatively, \$1 million or more.

Okay.

And then your Circle of Friends is your lower level donors?

That is \$1 thousand. Yes, I mean, you are not mentioned here unless you give at the \$1 thousand level.

So those are your two main big, your Circle of Care and your Circle of Friends?

Right and they are actually getting ready to revamp that because there needs to be a couple levels in between, like a \$25 hundred and then a \$5 thousand. We will get to that point.

Yes. But, within those kind of groups, is there specific benefits that they...do they receive certain publications?

Well, for Circle of Care, there is a publication, which is our “Circle of Care” publication, we may have to go to our gift closet and get that for you.

Yes, that’s good.

That is a group of hospitals. I think there is now 25 Hospitals that make up Circle of Care and it is a non-profit and also that is the Woodmark Group. And each year a hospital hosts Circle of Care. So this year, in May, it's going to be in Atlanta, and so that is going to be the host hospital and they kind of plan and entire three days. So typically, the \$10 thousand and above donors get invited on that trip, they, of course, have to pay for it, but we have a dinner one evening and there are all kinds of break-out sessions and that sort of thing. And they get to hear physicians from all over the country speak. So it's really fun.

A couple of years ago it was in Seattle, Vancouver, Boston and Atlanta, Denver, so it's all over.

So they kind of get that and then...

So they get that. The \$1 thousand level donors, they really don't get anything specific. They are just like our Circle of Friends level. We are working on that though, because, right now, we have another group called "The Trust", which is young families, and that is a five-hundred dollar donation, two-hundred fifty dollars goes to our philanthropy pot and two-hundred fifty dollars goes to social dues and they have better benefits than our Circle of Care donors. And they are much more social. So we are working on.

Yes, that's good.

Yes, well, it's great because the group has exploded to about six hundred couples, but on the other side, our Circle of Care donors are like, "gosh, I could just spend \$5 hundred" and you're like, yes, but you have grandkids. So we need to beef up what...

Right, your definitions of each group.

Yes, right, exactly.

Gotcha. And then, we kind of talked about this reporting, how you either send them the annual report. Do you all do anything like an e-newsletter, or...?

We are starting e-newsletters and we're starting some other modes of communication. We're making some vignette videos. We're in the process of filming a fund-drive.

Okay.

...secretary enters the room...

So that we can send that to our donors and they can just stick it into their computer and it will be like a little two minute thing. And then we're also filming a five to six minute DVD, so that if we give a patient tour. But we were constrained for two months because of the H1N1.

Right.

We can pop in the DVD and they can actually do kind of a virtual tour of the hospital.

Interesting.

So we're working on that. So we're trying to beef up our media in many different ways. We're already on Facebook...

...that's what I was going to ask...

...we already Twitter. You may have already heard that we Twittered a transplant.

I saw that, yes.

So we're getting there. We will be doing more e-getting. We're trying to do a lot more things online. There is a technology, I wish I knew more about this, but there is a technology rating, and it's like on a scale from one to seven and if you are a seven, you're institution is completely paperless and you do everything via technology. We are a six. But the jump from a six to a seven is huge. So we are really trying to beef up our communication to get everyone used to it because we still have a lot of paper and receipts.

And I'm sure some of your older donors communicate that way.

Well, and they don't have computers, and they don't want to learn.

Exactly, so it's not like you will be able to completely, in some ways.

Right. And they don't want to learn. And they are like, "excuse me, you need to send me a paper receipt". So I don't know how possible it is going to be for us to be 100 percent.

Completely.

But we are on our way.

Okay, so we kind of talked about that, using a gift receipt, annual reports, covered that. And then, I guess, under responsibility, the basic things would be like number 12 and 13. How do you insure them?

We have a gift agreement. So we are bound by the gift agreement to spend the money the way the donor wants us.

Okay, and that's kind of like a signed agreement, or just a verbal?

I actually can get, no, it's a signed agreement. So I can give you a copy of what that may look like, if you think that may be helpful.

That would be great! And then is the stewardship letter the main one you kind of communicate progress on?

Yes, we usually send it with our annual.

With your annual. Okay. Do you all use a database or system to log all your donors?

Yes, "Razorhedge".

I've heard a lot of people are using that now.

It really is good.

Yes, from what I've heard, I've never used it, but it seems to be excellent and very thorough.

This is just kind of a generic, and we will tailor it to be more specific, but that is a good starting place,

But do you all do this with...

...every gift...

...every gift, wow! Okay, so what do people just kind of mail if it is just a general gift then it's just...

...then it is unrestricted and it goes against operations.

Right.

But if the gift typically is more than \$10 thousand, and they don't have an endowment fund, they don't have a pledge, then it goes to unrestricted, unless they tell us otherwise. And if they tell us otherwise, then we have to have this.

Right, okay.

Because the default is unrestricted.

Unless they specify otherwise. Okay, and then under relationship nurturing, you kind of talked about you are trying to touch them several times without soliciting them through emails, or phone calls. And you said tours; you will invite them for tours and externships.

Oh yes, I'll take them for lunch, take them to dinner, meet them for coffee, you know, have them to the hospital if there is something new in the area that they support, invite them to that. A lot of times, and everybody is a little different, but you know, they have my cell phone number and they will call me and say "hey, I'm on the way, I'm taking my kid to the emergency room", and I'll meet them over there just to make sure everything is good and their settled.

And as far as special events. How many do you all hold?

Well, we have a lot of events, but most of them are third party events. So it's people that are not...directly associated with us...

...yes, right. So they may raise money for a golf tournament and then they give it back to the hospital. University Park third grade, second grade, you know, they may raise \$15 hundred and give it to child life. Our events right now, we are re-tooling our events. We had a golf tournament and it kind of ran its course. So we may have another golf tournament, but it may be different. And that golf tournament was focused on raising funds for cancer. The parade, that raises funds for child life because that is a non-revenue producing service that we provide.

But do you all have other events where it is strictly like, have dinner or...

...you mean like a gala?

Yes, or like an annual recognition dinner for these donors, or anything like that? Where it's not necessarily like raising money, per se?

We do have like a distinguished service award. We have not held it in the last couple of years, but in the past we have, and we have recognized outstanding philanthropists.

What we've done now is we also, we recognize some of our key donors at National Philanthropy Day, which is a huge thing put on by the community's foundation and the Association of Fundraising Professionals. So, you know, there are avenues and ways to recognize them, but we are looking to do some more specific fundraising.

Right.

Whether that's a black tie, or a ladies luncheon, or, so we will be looking at that more closely.

Gosh, when you said that, it reminded me to ask you something and I can't remember it right now...oh, I forgot to ask you, do you all have any type of donor wall or wall of recognition?

Yes, we do, we have a Wall, we have our Wagon Wall, but since we just opened our new tower, some of the signage is going to look different. So, they are working on that.

Okay.



The first company that came in, they kind of put fourth what they though, it didn't kind of go over.

Right.

We may be going to a more digital signage because it's so much easier to update.

Yes, I've seen a lot of your boards kind of go that way.

As long as it doesn't look like the airport, you know?

Right.

Bright red. Something a little more subtle.

Yes, you said you are using Facebook and (inaudible).

In the literature I've gone through they kind of break down stewardship into like reciprocity and thanking people for the gift, responsible gift use reporting and relationship nurturing. Do you all find that you use those collectively or is there one you all are heavier on?

No. We just (inaudible).

Well, yes, everybody has a different title for them. And then just to kind of get an idea of how formalized the structure is for thanking people, or it seems like you have it laid out in the levels of whether you're in the cultivation process or stewardship. And then is it kind of up to...

The gift officer.

Right, okay.

And it seems like you all do tailor activities to whatever the donor needs or is looking for out of the relationship. I think we have actually talked about a lot of these. Do you all employ any type of surveys or feedback mechanism for donors? Do you mail a survey or do they have...

Well, actually, it's real funny, because this morning from 9:00 to 10:00, that's what got me off on that crazy foot, but we actually had the a group in and they just completed Donor Focus Groups asking us about all of those particular things. You know, how likely are you to continue giving, where we fall in the food chain, you know how good are we with our brand recognition. So we just finished that, we just had the wrap-up this morning.

Gosh, that's great.

Because those sorts of activities, you know, you have a gut and an intuitive sense of where you are, but it's always nice to validate what you're thinking, but it is costly. So a lot of smaller charities can't afford to do it, but we had a little bit of money left over, so we went ahead and did it, so we're grateful because a lot of the things that we had talked about in our meetings actually now we know are true.

Yes, that's good.

So, yes, it helps us build our plan and make sure we're all thinking on the same lines.

And then donors that maybe kind of fall off the map for a little while, do they continue to receive, you know, for a few years after...

Yes, and we still, we had some donors that kind of fell off the map when the bad economy hit, and so, we still love those donors and tell them, you know, "thank you so much, we still appreciate everything you're doing, have a happy holiday".

Do you all send holiday cards? Now that you said that.

We sent Thanksgiving Day cards.

A couple places do that too. Do you all send birthday cards to your higher level donors, your major donors?

Yes. They don't have to be higher level. And I can give you an example of a birthday card.

Oh, that's so cute.

And then we've got facts on the back that are related to music.

Okay, neat.

Let's see if I have another one.

And then, is this kind of another one of those things, where depending on the gift officer and their relationship with the donor, depends on who receives it?

Yes. Now I send them to all my donors.

Right.

And here is an example of another card that I use that I like.

Yes, that's neat.

You know, I can write notes on that, or if they've given a gift and I just want to send them a little something, I may send them one of these, and I'll just write a little note on there. (Inaudible), so you can have that. And then this is our Circle of Care brochure, and we may take this on a donor visit.

Yes, right.

And it kind of talks about what Circle of Care is all that kind of stuff. And then we have, in the back, we have our lifetime Circle of Care members, and we update this annually. So these are lifetime members and these are all of our members. And then this is one of my Donors and his wife and his family. And so there is a little story about them. And then this is about the gala that is coming up in May, so it kind of gives them a little picture of that. So, if they are a new Circle of Care donors, I may send them this in the mail after they make their gift and use it as, kind of an opportunity for them to actually kind of see...

...what it actually entails...

Yes, so this is like all the information they need. (Inaudible) give you this.

We try to not use a lot of paper, but sometimes you have to use...

Yes, and you all's print materials look so nice. You all's communication department puts all these together or do you all do it...

...we have a communication's department within our office.

Oh, how nice.

And then they have liaisons to the hospital. But if it is communication related to donor giving and philanthropy, then it will come out of our office. If it's a bigger messaging that needs to go out or happen, or whatever, or more marketing in the manner of institution, then that would happen in the PR department. So there is a little grey area, and then otherwise, it's pretty clear. But for us to be able to turn things around, like those little thumb drives and the filming and all that sort of thing, it's so helpful to have those people at your fingertips and you can walk down the hall and talk to them. And then we have an events team within our office as well. We have third party events, we have two ladies, down the hall, that actually take care of all of our, they will go to all the third party events, but they also set-up all of our events. So like when we had the parade, we have a sponsor brunch, we have a donor brunch, we have a children's trust brunch, we have a patient brunch. They set-up all of those things so that they all kind of look and feel the same. They should look and feel like children's.

They're cohesive.

Yes, that's great!

Yes, it's big.

Well, you kind of covered everything, lots. Thank you so much!

Oh my gosh, if you have any questions

This all has been so helpful, the materials you've given me, and everything, very helpful.

Here you go.

Oh, thank you!

Yes, and just so you can kind of see, oh, we also do like video, like DVD's. Do you have a few minutes?

Sure.

I have another donor who gave some money and we wanted to do a DVD, because not everybody can get to the hospital. But let me see if I can... get to this...and so we'll do like a letter campaign here in just a little while. And we just started an advisory board.

Okay.

Okay, let's see here, I'm thinking out loud...I think...

Your advisory board involves community...members from the community or...

Yes. Oh my goodness, okay, that's way too much information. Let's see how I'm going to do this.

Oh well, let's see...I don't think I have Window's Vista...well anyways, this is a DVD, and it basically, we had it done by an outside firm, and so we will send it to our donors and they love it.

I bet.

Like today, I had someone call to give us a gift for \$20 thousand for the program.

Wow!

So they're very effective.

Yes, definitely.

Now, once you get the filming done, because the initial filming was like \$5 thousand, but to replicate these, it's like a couple bucks.

Yes, and to send them out, for what you're getting back from the donors.

Right, exactly, so you know, we're pretty lucky, we're not extravagant, but we've been able to find some really good vendors that can produce some things that look really, really nice for, you know, a reasonable, because you don't want donors to feel like you're spending their money on, you know...

yes, I've heard that a lot, you don't want to be extravagant...

...oh no...

...and because they're not...

...right, because then they get like (exasperated gasp...what are you doing with my money...

So to find that medium.

What are some of the challenges you face in practicing stewardship?

Assuring that we are capable of doing/achieving what the donor intends by making the gift in the first place. We are challenged by the individualization that is required to make each and every donor feel special. For us, another challenge lies in assuring the projects are moving forward on the hospital side in a timely manner. Often times, donors have signed on for a particular conceptual design and that may change -- it is up to the gift officer to assure at every turn that the donor is communicated with and on board with all of the details.

Do you feel you have sufficient funding to complete all of your stewardship tasks?

We have sufficient funding to complete stewardship needs. Typically, we assure an annual report is delivered to the donor along with any program specific materials and milestones. The hard part is getting folks in the hospital to realize that we ask for particular information so that we can then provide our donors with meaningful information in regards to their gift.

Time is always an issue because ultimately you can not rely on anyone to steward the donor as well as the gift office would.

Ok. Do you feel that stewardship is more important due to the current decline in the economy?

And, stewardship is especially important with the current economy -- even if donors are not giving as they typically do because of difficult times it is important to let them know how much they mean to the institution.

Yes. Do you have any other questions?

I think that's it. Thank you so much!

You're good?

Thank you so much, again.

## **Interview I**

The Health Care System provides full-range, inpatient, outpatient, rehabilitation and emergency medical services through 15 owned, leased or affiliated hospitals and surgical services at six short-stay hospitals. A large part is non-profit, specifically this campus we have a campus in [name], are you from here?

I'm from Louisiana. I'm from Baton Rouge.

All funds come through us. There are some specific types of grants that go through our research institute; most of the NIH type grants go through them. But the fundraising is all centralized here. The Health Care System provides full-range, inpatient, outpatient, rehabilitation and emergency medical services through 15 owned, leased or affiliated hospitals and surgical services at six short-stay hospitals

That is what I thought; I know some foundations have a foundation and also a development office. Yall have a lot going on, you cover a lot of ground.

Age of Foundation: 1978

We have a lot of what we call gift officers who go out and work with the donors and they are assigned to different projects. Ones is assigned to each campus.

How big is the department here?

We are 34-35 people. We are a good size department.

Are most of your development officers for each campus?

There is one for each campus. We are divided into 3 groups within the foundation. We have our development team which is all of our gift officers basically on the street working with individual donors. Within that development team there is also a grant writer who works with some of the

foundations. And then we have what we call our operations team, that's what I'm a part of. I am responsible for our donor recognition and I also write some grant proposals even though I am in the operations team. The operations team covers campaigns. We have a significant number of events; we had about 54 events last year. Operations handles that and marketing and pr are handled by the operations crew. The other division is finance, the division who handles all of our reporting and also all of our gift processing. So it works that way.

Ok, let me see what other general organization questions I have...what is the size of your donor base?

About 6,000 active donors.

And then, how long has the foundation been in existence?

It was incorporated in 1978, that's when it was officially put into place.

I briefly saw as I walked in, all of the historical stuff.

The hospital is 106 years old, so they formed the foundation in 1978; they had fundraising that is when it was formalized

How long has stewardship itself been a specialized area?

It has always been in some way or format. I would say we had a lot of change in the foundation with [name] coming in as the president, because he gave a little bit of that corporate accountability to the foundation. And that they way, you know donors are much more savvy. So when he came in, stewardship typically had been done through the gift officers. When he came in, he wanted to create a very specific stewardship program. And that is where I started, so I came in as the stewardship officer. That was in 2006, my task was to formulate a formalized stewardship structure, so we could make sure that there weren't any gaps; that nothing was falling through. So we put together kind of, we looked at different size gifts, we looked a cumulative, and annual gifts and things like that, kind of hit what we consider major gifts, which we consider major gifts at the 25,000 level. We put together what we call stewardship tracks for different levels of giving. So for the 25,000 level, you would discern different types of thank yous, the type of annual report on your gift you receive. As you went up the scale, and the size of the gift, it became more detailed. Once you hit the, I think it was the 100,000 level, you would have a 6 month, in addition to all the thank you's, you would have an additional 6 month status report. And then an annual.

And so the program has evolved over the years?

It has somewhat. The core of it is still. What we do is we track it all through Razors Edge. So we, when the gift is booked in razors edge, it creates a domino effect and it kicks off all of these things to happen and notify all the people that need to be notified. So that is how we ran stewardship and we did a lot of informal stewardship too. The gift officers were always touching

base with some of their donors, making sure they were well aware of what was going on. Some donors get more involved in the organization, especially when you look at the research fund, different areas, such as cardio vascular we have a pool of research funds that comes from the foundation that is just for that research. There is an oversight committee that decides how to distribute these funds. It is positions, outsider views. And so we have allowed donors to be a part of that and not so much as a voting decision maker, but so they have transparency to the process. We have done that in some of those areas.

And then, so under Marcus is there a staff that focuses on stewardship activities?

He is the main guy. He has been here a year, we transitioned last summer from myself to Marcus. I went on to do and focus on some other areas and he took over the stewardship component. He has kept the same track concept, but he shifted the reporting a little bit in a good way. He is calling them donor impact reports, so what he will do is focus on certain project areas, and create a yearly review of that project for the year, and so that would go out to anyone who gave to heart and vascular and it would be an overview of research education, capital pieces, and that would get distributed. He has grouped it, we look at the individual donor perspective and a project perspective and try to meet those.

Who all receives your newsletter?

We have about 13,000 people an issue and it is pretty much all of our donors, and we also have quite a few, a group of prospects that are in the database to that we send to.

What other publications do you use?

We use a lot of email. Whether it is, like we recently did an email, an update on healthcare reform and our themes on it. We send that to some of our donors, those in the know of what's going on. We also send, anytime we have an event, we send a survey out after the event to get feedback that way.

Do you send it electronically or mail?

We send it electronically, via email. Then you know, our other publications typically focus on other campaigns more specific. Ill get you a copy of our annual fund too. That piece.

Hi Megan, I'm Marcus.

Hi, nice to meet you. She has been just going over some of the nuts and bolts of what you are trying to do here.

Yeah, she is a stewardship guru; she had to do all of the hard work.

Now it's all yours.



Yeah, it's all mine. It's a lot of work.

Um, well she was talking about your forms of communication with donors, newsletters, email, campaign pieces, which are more solicitations. What other pieces do we send?

We communicate after every event, with a thank you letter of if they did not attend, we send them a sorry we missed you, here's what went on, so we do that for all events or meetings.

Are yall using any of the new social media forms?

We are trying?

Like donate on-line or stewardship

One of the challenges we have is that we are a component of a very large healthcare system, the marketing for the whole system is figuring out where they want to be. They have a Facebook page, they do twitter, so they are trying to figure out what is the right mix. And once they get all the policies in place, we have full intentions and utilizing it. We look at it not as a fundraising tool, because data shows you don't bring in more dollars, but more of the relationship building. We have been doing research over the last 6-9 months.

I know that is a whole new world everyone one is trying to figure out.

It is a fine balance, because we want to have a lot of information on Web site, but not too much where there is not a need for talk to or contact a gift officer, to come in and talk to someone. If they can get everything off of the site, then why - we cant make that personal plea.

We are really a major gifts organization, we raise lower level fund, but our focus is on the major donors and major gifts.

How – if you had to give a general definition of stewardship, its purpose and role in your fundraising process?

I think stewardship is just the promise back to the donor of how the funds are used. Stewardship is the component of explaining how we are using those gifts, fulfilling our promises and building up for the next gift.

You mentioned this earlier, but what are some ways you show appreciation – you send thank you letters to all donors regardless of gift size – they all get a gift receipt, so is there a thank you attached to that?

And if the gift reaches certain monetary gift levels they receive letters from the gift officer, the foundation. Special touches over the years, - focus on memorial day, thanks giving, We try to

send a message for each of those, sometimes it is with a gift or sometimes we make a gift in honor of them. For patients who are unable to go home – in honor of our donors we are giving a gift basket to a 100 and 30 patients who are at the main campus, who are here and can't go home, and it's a light staff. So we send a card letting donors know we sent the gift and let the patients know it is from the donors, not us.

Do you have this outlined according to giving level?

When it is just a card, for thanksgiving, it is all assigned, any prospect or donor who is assigned to a gift officer. We are moving to more electronic, and then we can do those touches more across the board.

One thing that is a component of stewardship is the premier services program. What that is, is for those people who have supported us at the higher levels? They enroll in this program and that provides – they fill out forms that gives us a lot of their information – who are their doctors, insurance, then we have a person, that does not work in the foundation, but in the office of government affairs – and she is their concierge. When they are here on campus, she helps them navigate the system – it doesn't ensure greater medical care, but she will meet them at the valet, and walk to appointments, help set up appointments. That is our top level.

We have a program that is recent is called the 923 program. It is a step down from premier, it is for annual donors that give to us, a good amount 2,500 is the set amount, and it gives them a one year membership and it allows them to have free parking – they enroll and we code it in the admitting system – when they show their card – they are admitted, they don't have to do as much paperwork. This allows us to know they are in the hospital because it is coded and it flags us. That is a loyalty program.

That reminds me- do you have a cumulative or annual giving recognition program?

Those are our two – premier program is the cumulative – once you are in it your in. Another is annual, year to year membership.

As other recognition procedures of cumulative or AG donors, do they go in the newsletter, or recognition events?

If they've made – there is another society. They let it be known to the foundation that we are in their will, if they have a planned gift they are a member of that society and they receive recognition in a number of ways. There is a members lunch or dinner and host some lunch and learns – this allows them to be a part of the behind the scenes. So to keep them in the loop of what we are doing. We used to do a yearly annual dinner – but it just was hit or miss. The donors thought it was too much, others wanted it. So we developed different ways of reaching out to other donors.

Do you all have a donor wall or anything where you publish names based on giving level?

Did we do the names in the torch?

We did. We had just for that year. And it didn't give giving amount. I believe. Or maybe it was just all over 2,500. So, we don't necessarily break it down into giving levels – but it was just cumulative – a list of all donors for that physical year. There is a special edition of the newsletter.

Donor recognition is based on project – so certain campuses have certain recognition for donors to that project.

We have standardized some procedures – you give at this level, this is how you are recognized. For instance if you give 25,000, that gives you recognition on a patient room. You try to keep it consistent – 50,000 can name a waiting room. For each major project, we create a list of donor recognition programs that are available. For the cancer center they range from 25 million – threshold is at 25,000 because we are such a large system – so that is where our benchmark is. We have some areas scattered throughout the hospital – we have pavers in a garden for 500. But typically on the capital projects, We talk about room, name or naming a building we set those out before the project is in swing. Those are presented to the donors when a gift officer goes to meet with them. They may review the opportunities with them.

Is there any difference between new or lower level donors – is there anyway that you are trying to convert them into major donors or investors?

We have – it is dependent on the gift officers, portfolio – gift officers, their responsibilities are divided among shifts or projects. We have a researcher on our staff who can help research to get more information on the donors, before we make cold calls. We want some background information. We do some acquisition on the annual fund, so this year, that position was through our patient services. Through hippa, we only have demographic information about that patient. We work with our marketing department to run some demographics. We target a patient here based on their zip code. We recently got a gift for 1000, and we never gotten a gift from them, they were not on our screen and they were a patient here at - so that triggers you. This person gives you \$1,000 and never had contact with us – so then the researcher looks into this person and assigns a gift officer.

And do the gift officers when receiving; reviewing the gift do they make a personal phone call to thank donors?

It's all-dependent – set up through actions in razors edge. They are alerted if someone is already in their portfolio makes a gift. So that alert tells them, please make a phone call and send a thank you letter within 48 hours. Now, it is up to their relationship if they choose to do that. Some will say – I just saw them and was the one to pick up the check. So we set the standard with the action reminders and let the gift officers determine how to handle that relationship. For those donors that are at the lower level, and not assigned, we have someone who gets a weekly report

that our researchers generate, and make phone calls, thank yous, seeing if there is anything else they need. Really just thanking them.

I guess the next thing is how do you report back to your donors on the gift receipt or how their gift is being used, or how the work that is being done with their gift?

We look at what amount they gave to and what campaign to determine if we can create a broad stewardship donor impact report that would hit all donors. That is more of an update. For example our goal for this campaign, was 10 million and we raised 11 million. This is what we promised and here are the results, and here are patient numbers and satisfaction scores. If we can hit that target demographic with our donors with the broad report then that is what we will do. If they have given at a level that is worth creating a customized report, if the money went to something very specific, we create a custom report. We try to bring them in to our conference room and have lunch. If we have a video we will show that. So, um this year we just initiated like last week, we are going to try to on a smaller scale, the kind of at the end of the year, a small letter to say, here's our accomplishments. An accomplishments letter based on their area of giving. If they gave to oncology, we plan on sending them a one to 2 page accomplishments reports from the head of oncology. Saying here is what the department has accomplished, not specifically tied to their giving, but they are interested in that area, so they would enjoy a nice end of the year letter from that chief. A lot of departments in the system do annual reports, like cancer, neurology, transplant does one. So chances are they are getting that already and we would be repeating that information.

As far as nurturing relationships with donors, what are times or certain events that you all use to see donors other than solicitation?

We do a lot of those; that is probably the majority of our events. If we have a new physician, we have someone in leadership of that team and we might host a small dinner, ranging from 12 people all the way up to 100 people. In this way we welcome the leader to the community and introduce them to the donors who have given to that project and also prospects. There is not a hard ask, but it is just to get them interested in understanding that program. We do a lot of those. We just did a real big celebration for transplant had a 25-year anniversary, so the foundation hosted a dinner recognizing transplants efforts. It gave us a chance to bring in our donors, some patients, and gave the transplant team an opportunity to bring in some key physicians. We didn't make any hard asks. But it is built for nurturing.

Do you host tours to get the donors on-site or interacting with staff or patients, doctors?

A lot of the people who reach the premier services level; we want to show them how it works, where everything is. Take tours of specific areas. Even prior to that we did hard hat tours. If we have a capital campaign, we might bring a donor in to look and talk about it. Afterwards, we sit in here and talk, and then we take them down into the construction. We showed you what we were going to do and here is the progress.

We have advocacy groups. We have 6 areas of advocacy groups, transplant, nursing, oncology, neurology, and I can't think of the other two. Heart and vascular, maybe there are only five. But there are opportunities where they meet maybe 3 times a year and have a chance to come in for breakfast or lunch, meet with some physicians, and understand, maybe a tour, or maybe watch a cath lab – actually see a procedure, spend a day as a nurse. We dress them in scrubs.

Is this a membership?

It is friends of the foundation, it can be a prospect, donor, it can be board members. They are on the board and people look to them, it is important for them to be knowledgeable and make sure they can speak about the center and the foundation.

So, is that something you schedule?

We coordinate it for the departments. We host it and make sure we are bringing the right people for the right areas. It is produced by the foundation. It is a half-day. We have externships as well. These are very similar. We will have someone stay, come in and hang out in the emergency room for almost, or overnight basically. They can put on scrubs and shadow physicians. We are one of the 3 level 1-trauma centers in the city. So, it is busy, especially if it's a Friday or Saturday night. We also work with grant proposal writing, a lot of the foundations will want to do site visits, and we schedule those too. The Foundation committee may, there will be donor proposals, and you are one of 5 site visits they are doing. So whatever the specific project is that is where the site visit will be. We had one for the NICU, the fetal care center. Leading up to that grant we have a lot of site visits with people on that committee.

Do you have any annual recognition dinner? I know some organizations do that.

We used to, but in 2006 was the last one we had.

That's right you said it was a mixed response.

So now when we get major gifts, we try to make sure we have a dinner for that donor, a more personal event.

In my research, the 4 elements they outline a lot are reciprocity, showing appreciation, responsible gift use, reporting, relationship nurturing. From what you have said it seems you use those. What do you think?

I think what we are moving towards now, is when the gift is made, there is a kind of, besides the agreement or intent to give, we discuss the expectations with the donor on the front end. Because we can either over deliver, or in their eyes, just not communicate enough. We want their needs documented because there is turnover and that relationship needs to be recorded for the next person. What we found is you will have a donor give a major gift, on the threshold of 25,000 with high expectations, and some with a gift of 5 million with lower expectations. So we are at the point of trying to get the gift agreement and their wants outlined. That is not unusual. From

foundations, when you get a grant, you have stipulations. We want a quarterly report or we want something else. It is also knowing what they expect if it is a one-time gift. Are they expecting reports for one year or 10 years? After we spent the money, what are we going to do? Some say, yeah you spent my money 5 years ago, but I still want to know, even if they are not making another gift currently. So we have to manage the person and the expectations.

From talking to you all – my next question was, do you have a formal written stewardship plan? It sounds like you do.

Kelly developed the main traits, based on if they are giving to an initiative or an annual campaign or to an event. And then what levels for each of those things. Whether it is everyone gets a thank you gift receipt. They get a phone call, letter from the president. There is a matrix and part of that is adapting that and using it in the gift agreement. Saying here is what we typically do.

Is there anyway I could see an outline of that, just for a reference.

Yeah, I have a small matrix, a general outline.

As far as stewardship activities, how do you allocate funds?

It has its own budget, it is kind of, and stewardship has its own budget, so that Marcus draws from. Donor recognition is kind of a weird thing. It gets paid out of the stewardship budget, but gets reimbursed. The signage for donor recognition we pay for out of the stewardship fund, but the money we raised for the emergency department for example reimburses that fund.

Do you feel you have enough funding to sufficiently do all of your activities?

Yes, they put a high priority on making sure the donors feel appreciated and that the touches are there. They are appropriate to what our president wants to achieve. He has certain holidays that are special to him, our major donors are going to get to know him. So he wants to make sure touches going out from the foundation represent him, so they feel it is a direct gift from the president.

I meant to ask you this, you said you do a holiday card – do you send birthday cards for your top-level donors?

We go back and forth on the cards. We don't want to make the mistake of having inaccurate information in our system. So, for some of our key people who are part of certain senior societies, premier services, where they have enrolled, and they submitted that information then we can pull reports, then we can pull them for anniversary gift cards. We have to be careful, because we try to keep our threshold of what we spend very low, so we don't have to send them a 1099. Every time we give them a gift we track it. With physicians, we really can't give gifts, because of the kickback laws.

Do your stewardship procedures, do you feel they reflect what you/ Baylor is doing, and does it reflect the mission?

We do make sure that anytime we are going a stewardship report we report back on how we are providing quality health care. We make sure the mission and vision are echoed through all of our reporting.

And then you mentioned the surveys after the events, are there any other ways of feedback, donor feedback?

We do, we get informal feedback and we also do surveys based off of the torch. When we host dinners that are not solicitation, our gift officers, this is a chance for them to make a phone call telling tat prospect, it was great to see you. Did you like the event? Would you like more information? We are going to get feedback from the phone calls.

As far as stewarding or cultivating relationships with new donors, do you utilize board members or existing donors?

We are trying to go that direction. Our board is evolving over the years. We have a very large board. I think one way we are trying to get more outreach is through the advocacy groups, that also lets us hone in on which board members we can use. We use them more on the solicitation side than stewardship. The exception was the emergency department campaign, because the chairman of the board was so involved. The chairman is pretty well known and that helps. We make all of our board meetings on a topic that is current with the system. Then we make sure they are up to date on it and if it clicks, then we can come back to them with potential prospects.

As far as donors who may have dropped off the radar, maybe donated then stopped, do they continue to receive mailings?

They continue to receive the torch, and if they are still assigned to a gift officer, then they will continue to receive a holiday card. If they, at a certain point the gift officer surveys their portfolio, if a donor is no longer and have never reached the threshold of premier services, then you know, we kind of review where they are at. They are not gone from the system, just in a pool waiting to re-cult. And we do some analysis. Have you learned the term LYBNTY? Last year but not this year? We try to keep; we get a lot of new donors through events. But our golf tournament as well, but we have got to manage the LYBNT otherwise our mailing list gets so large and becomes ineffective.

I think you have covered most of my questions, is there any areas I haven't hit on.

You may have already talked to Kelly about this, but what are you trying to accomplish?

The differences and similarities in how organizations handle stewardship. There are some differences in the formality and the structure of it. Some wing it and some have formalized structures. It is just to see what is actually happening and what are the reasons that allow them to do it this way, or the disadvantages.

Kind of leading to a thesis?

Yes.

Even though, I think it doesn't matter how big you are, if you are a bigger staff you have more going on. I think it is challenging to keep it covered. We know we have to and we know the importance of it. It is tough. We always know that the finance team is going to process the gifts within 3 days, so regardless of anything that may break down. We know that the gift receipt and the thank you letter has gone out. That is sometimes the most important thing is to acknowledge quickly gift. Sometimes the finance staff is down to 1-2 days. Sometimes it takes the GO 2 weeks to make the call, but the gift receipt goes out. It's hard. We are very accountable. We are all transparent, we all have goals that we have to achieve and measure every year. Those goals can be seen by anyone else. So, you have that to as a factor, a motivating factor.

This year we actually, all the goals get drilled down from the president. One of the stewardship goals is to have 12000 touches, is that it can be thank you for attending an event; it can be for 5,000 employees that participate in employee giving. We have 20,000 in our system. It is making sure the employees know we appreciate them giving back and how it helps. It is those touches, holiday and impact reports.

If we are not recording it, we can't reach our goal. We have to record it so the next person can see this person has been touched in the past three years. We use actions in razors edge. So we record the touches extensively. Our system is a running line item of many narratives; I met with this person and discussed this. I sent them a letter, which said this...so before you go meet with them, you need to get the background. If it is not in razors edge it didn't happen, so it is up to everyone. That is a big change for the foundation and I think Robin brought in a very accountable structure. That if you are not recording it, it didn't happen. Transparency. At this level, we are competing among major healthcare institutions, so we have to set the bar or meet what everyone else is doing. Some of the smaller organizations, their competitors are on a different level.

Do you think there is an increased need for stewardship with the current economic decline?

I think stewardship always plays a major role and especially in tough economic times. We want to make sure our existing donors know how critical their funds are to us providing care. It's much easier to keep an existing donor with effective stewardship than it is to acquire a new donor. Our office experimented with a year-end impact report for our top service lines at the end of 2009. It was a short two-page report from the department chiefs highlighting their accomplishments and why philanthropy is important to their dept. This report was mailed to donors to that area with a



cover letter from the foundation president. We received lots of positive feedback from our donors. I think this will become a standard practice for us going forward.

## **Interview J**

If you could just tell me a little about the development department here and how you practice stewardship.

Well it opened in 1968.

How long has the development department been in place?

That is a really good question. I think it has been in place for quite a few years. It has had a number of different managers and I think I mentioned to you that until the latest reorganization, the development function did not report to the president and CEO. So the development function over many years, I have records in the data base that go back to a capital campaign in the 80s. That is as far back as the data base takes me. I don't know if development started prior to that. but I guess that's when it actually started. As long as I can tell, the development function reported to a director who reported to a vice president who then reported to the president and CEO. So with the latest reorganization, the position has been elevated to a vice presidential level it is VP and chief development officer reporting directly to the president, Which in my opinion is the way it should be. Which had it not been that way, I would not have even considered the job. I don't care about the title, I do care about the reporting relationship, because direct access to the president and CEO is very important as far as being kept abreast of information to be effective and to be engaged. But it is what it says to the community in terms of we philanthropy, is critically important to this organization. When Terrie and the administrative team reorganized recently they talked me out of retirement into this position.

How long have you been here?

A year and a half

How many people make up the development staff?

Here, there are four, counting me.

Are those gift officers?

The way I am structured now, I have an annual giving program manager. I have an event coordinator, I just changed titles, and so I am struggling to remember the exact titles. I also have an office manager who oversees the database and I am getting ready to separate her functionality to have someone just doing database all day, everyday and being responsible for insuring the accuracy of the database, that the lists are current. Right now there is one person doing too much.

This is a specific question, but you can give me a more general answer. How many active donors do you have in your data base?

Active donors? Yikes, all I can say is that when I came a year and ½ ago, all we had were a couple of events and there are probably 25,000 names in the database, but all active, it depends on your definition of active. So, as I developed the programming that the board has approved, I developed a plan going forward, the game plan is to go back and try to build that active donor base. They are right now, and I am not talking about events, because they utilize corporate – I would say we have got active corporation donors, who are sponsors, in-kind, so it is hard to say. We have hundreds of corporations supporting us through the events. As far as active donors, we probably don't have more than 200 or 300 even though we have a large database of potential donors and I am not even sure how some got in the database.

I was just trying to get a scope of how big the base is.

Not where it needs to be for an organization of this size. Our 225-bed, private, not-for-profit organization is one of the largest women's specialty hospitals in the United States and is recognized throughout the country for its innovative programs for women and their families. You know that is as prominent and well known and well-thought of in the community. We are establishing I think for the first time comprehensive development effort.

How would you define stewardship?

Well fundraising is all about relationships, and stewardship is about maintaining those relationships, keeping them healthy and one of the key components of that is communications. And so they are sort of intertwined. Staying in touch with the donors. Letting them know clearly how the funds they have donated were used. The importance of that, being the first to know, you know I haven't done it here because I am just building the program, but one thing I love to do in terms of stewardship in my previous positions was to create as a big announcement was coming out, what I would want to do is develop an announcement and send it out in advance of the public press release to let them know and to keep them in the loop. They are an extension of it. You never want your donors to hear about things you know, that way. So, obviously that is something that is in my communications plan. We don't even have an external news letter right now. We do not have that.

As far as ways that you show appreciation and recognize your donors other than gift receipts? Do you send gift receipts?

Absolutely.

What are some other ways as far as thank you letters and phone calls to show acknowledgement and recognition for gifts. Is there a protocol?

We are just beginning to develop the full recognition program. I can tell you what I did before, much of which we are going to implement. Right now we are doing acknowledgement and y policy is a three-day turn a round, from the time of receipt, to the time of the thank you letter coming out. I mean there are exceptions, if you are in the middle of a big event or our employee campaign, when you are receiving large amounts of gifts. There are circumstances. If our one database person is out of town or sick. But as fast as possible, the policy is three days. I generally write notes on my thank you letters.

To the high-end donors?

Not all. I will write a hand-written note on even the form letters. Because you cant help but have where you set out letters and you change them from year to year. We just implemented a new process, for any gift of 5,000 and above I give Terrie the list and she either does a hand written note or something on her informal stationary. So it is more personalized and getting the same letter. I think that extra touch is really nice. That is what we are doing now, and we have plans to develop our recognition for cumulative donors who give \$1,000 or more and that will occur in the next fiscal year. In addition, and we haven't put it in place yet. We will do some type of thanksgiving or holiday card. We did not do that this year. We will do that. The external newsletter has a letter from the president and CEO, which is very gracious and thankful of the donors. Every opportunity. The annual report is more of a piece to thank donors.

Do all donors receive a copy of the annual report? Do you mail copies or have it on your Web site?

We will probably mail, and when we have the recognition dinner we will distribute there, and we will mail to all other large donors. It is a big piece and the cost is prohibitive. The cut off will probably be 1,0000 dollar above leadership donors. It may be a little lower since we are growing our program.

Do you have any plans to recognize first time donors differently?

What I did in the past is that I had a thank you program. Where we split up the list and called first time donors to thank them. We are not there yet, but I have done it in the past.

Do you all have any other form of recognition, like a donor wall on-site, or anything you use as public recognition?

Now we have a wall that we have put in limbo, because we are building the new hospital. It is called our hall of stars to honor babies that are born here and some who have passed away, an honor or memorial. We suspended it because we do not believe we can transfer those, and there are thousands of them, and we don't think they will transfer to the new hospital. We are putting a plan in place as to how we can take the names over there, but not take the actual tiles. And start a new program over there. There are donor recognition walls from some previous campaigns. What I plan to do, since we are just about ready to implement our first ever-annual giving

campaign, community wide. We will have a donor wall, but it won't be a permanent one. This is what I did, we printed the names and we had them framed, like a piece of art, so every year we could change. So one year if you are a leadership donor your name will go there and stay up for the year, but then we can change it out each year. We will do something for our endowment donors as well. There is no wall now, but that will definitely be in the game plan to work on those recognition kinds of things. For recognition, I think thanking our volunteers, because I believe in a volunteer driven fundraising model. Ways to thank our volunteers is critical. We will be doing everything from thank you cards during national volunteer week; to I always hosted a party at my house after the campaign was over. Not just the annual giving volunteers, but also all of them, so they can meet each other. Right now we have our 2 events, with a luncheon celebration but this would be in addition to that. This will be something to just say, and we will have some kind of wrap-up celebration for the annual giving, but also separate and apart from the rest. I always had it at my house. It was a nice function and was pretty well attended.

As far as segmenting donors, is the leadership level and above, your only segmentation. Is it just \$1,000 and above?

No, we have steps after that. I would be happy to give you a list of how you break down donors.

Are there benefits that go along with each level?

Now because we are so new, the benefit is going to be the same, until we have the critical mass that we can separate at \$5,000 and above.

What are some ways you report back to your donor and let them know about your success?

The newsletter will be critical. We plan to do an e-newsletter as well. We have a brand-new communications director, so I put the communication plan on hold. In that plan is an external newsletter, probably twice a year. An e-newsletter. I can't remember the frequency we determined. Then also white papers to communicate with them, the annual report. Within our Case for Giving, there will be an outcomes section. In other words we are asking you to renew or increase your gift, and here is what your gift last year did. So, "last year our community coach, went to x number of locations and screened this many women, how many lives saved. The breakdown. That is just one example of how we report to the community.

What I am basing this off of, the stewardship literature says there are four main parts to stewardship, reporting, reciprocity, responsible gift use, relationship nurturing. Responsibility is basically making sure you use their gifts in a responsible manner.

Yes, whatever we say we do. We don't accept a gift for one purpose and use it for another purpose. We have to insure and I need the paper trail. It is set up in our accounting system and it works very well. It comes in and lets say you gave me a gift for the annual campaign, but you wanted it restricted just for HIV program. So it comes in and is recorded as a gift through annual giving but then we re-classify it to specifically go to that program. So we have our paper trail to

know that was done. I am actually working, I have a meeting with the VPs to determine, what about the rest of the gifts that are not individually restricted. Our case for giving covers 9 different programs. Any type, earmarked gifts will go where the donor wishes. But we don't want a lot of that we want to be able to put them where they need it the most, areas where we cut back over the years. We face the chopping block with revenue. Not being what it used to be, our revenue streams.

As far as relationship nurturing, what are some of the ways you all contact donors without soliciting them?

Phone calls, cards, um, hand written notes, I do a lot of lunches. I'll take a donor to lunch just to maintain a relationship. I literally just came from a coffee with a former donor, who I am never going to let go of, and I hope he will be a donor here when it comes time to ask. Those relationships, they become more than donors, but friends.

That is the goal, which is what is important to have these relationships that can lead to more down the road.

Are there any special events that you do that aren't primarily fund-raisers? Dinners, or things like that, I am getting ready to start a series of cultivation events. We will have some breakfast, lunches, dinners, and tours. Tours are one of the most wonderful means of relationship building, without asking, bringing someone in and allowing them to see first hand, what is actually going on. We have done quite a few tours since I have been here. We are going to do it in much more of a strategic manner now.

Do you use any new technology, I mean you said you were going to start the e-newsletter, but do you do Facebook?

Not in this department, our corporate communications department has done that and embraced it. They are about to develop a new Web site. They are excited because we have a huge numbers of, I don't know, Facebook friends, in the thousands, already from that. So they have embraced 2 mediums, Facebook, and what else. Maybe it's Twitter. But they weren't going to go at it in any bigger way than that to get started. We, in the fundraising world, have not really figured a way to truly raise funds through the social mediums, they are more for communication.

You do collect email addresses. And you send them things via email?

We do. We have them in our database, but we also have to ask for permission. There are all kinds of rules and regulations out there.

You covered most of my major questions I wanted to ask you. Do you feel that the level of the gift determines the level of stewardship, generally?

It's very much a case by case basis, because there are a lot of people with capacity that may be unable to give a large gift now, but what we do know in fundraising, is that a donor who gives year after year, after year, no matter at what level for multiple years, are your best prospects for a planned gift. Those who write off those lower level recurring type donors are cutting off their noses to spite their faces. Because they could potentially leave bigger legacies than I can dream. No one knows what is going on in their life that may impact their choices to give at a certain level. Or someone older may not have the income they did. If you continue to nurture those relationships and continue to cultivate and communicate with those people then the planned giving gifts will be there down the road. That is not something that happens over night.

Do you involve your current donors in the cultivation process?

We will.

Are there any ways that your current donors provide feedback? Do you provide surveys?

I used to and it is too soon right now. I used to do everything from focus groups, to a questionnaire. That is how, we got away from the recognition piece we used to use as a thank you gift. 95% didn't want it. The majority of the individuals, the corporations want it so they can put them up, but 95% of individual donors didn't want them. So it started saving us a lot of money, so we started printing out a certificate, but we also wanted to honor their wishes and not spend the money on a recognition piece.

Can you think of anything else?

No, but just in general, because there is so much that you, know, after doing something for 10 years in one organization and coming here, we are still at the very beginning stages, it is almost like starting over. A lot of what I am telling you is based on past experience, but the greatest joy of this role is to really be able to allow a donor who is connected to your organization and who cares about your organization to invest in the organization, and we are the facilitators in that, we are the ones that know what the needs are, we know our donors, and we help facilitate the right match and the right investment. It is part of cultivation as well, the more we get to know the donor, we can help them realize their philanthropy dreams and help them become a reality. When you can see that, it is so wonderful, after working with donors for years.

Well it sounds like you are here at a very exciting time and doing great things.

We are taking baby steps now. We will get beyond this. But fund raising and philanthropy, is not something you see go from nothing or almost nothing. The successful programs, that is what I am trying to teach everyone here. What we want, we want donors who give because they are invested in the organization, because they care and they understand. We want those because they will be recurring donors. I don't want a one-time gift, I will take it, but I am working on those relationships to allow our curve to grow steadily upward, so we can ensure recurring gifts. When I left, we were like 80-85 percent, which is extremely high. Those donors gave year after year. So that is what the goal is here, to build that strong base. That number you asked me for, the 2-300, I

am telling you will grow and those may be “active” but they are not giving at a level that adds up to anything. To be able to have those recurring donors, whose total giving can help. Start with the base we know we can count on, these programs that without philanthropic support, they can remain and grow. So that is what the goal is. Then they will become prospects for planned gifts, that is when you see your largest giving and capital campaign donors. We are not going to have a huge outward capital campaign. What we are going to offer is fundraising opportunities, to put names on incubators, rooms, certain areas. Or some of the things that we rescaled during the months that we suspended construction we took out and want to put back in. We can go to the donors and say...we don't have a chapel, with your support we can put the chapel back in.

When, the plans for the new building, what is the time-line, from the time we re-start, a little over 2 years. Some things are time-line driven, for the chapel, I have to find the donors fast to get it in there where there is still space for it. Other things are naming opportunities. I can have them sign on the day before we open.

What do you think are some of the challenges you face in trying to implement stewardship and make it an integral part of fundraising?

I think staffing and time are some of the biggest challenges.

Okay, also have you seen an increase in the need or the importance of stewardship with the economic decline?

Absolutely. It becomes all the more important that we keep in communication and work on growing relationships with our donors during these times.

Okay. Great.

## **Interview K**

Ok, that's how I was going to start out, just asking you about, scope of it, size, and history. So that answers a lot of my questions right off the bat.

How many people do you all have working in here right now, as your foundation staff?

It is 16? I had a staff listing...

That's okay.

Yes, that's 16. Other facts: 1,464 operating beds and 12,153 employees.

And, how are you all doing that? Do you have the same donor base when you split institutions? Do you know what I'm saying? Is it the same people that are giving it, or...

I think it's a little bit of both. Well, we had our own board.

Okay

We will be able to keep those loyalties with our board members. But there are some people that, you know, were unhappy with the split, and we have not been able to convert them to our donors, but there are some cases, now it's been five years, that they may have donated to every research project at Baylor, but then that physician came to us and so there have been cases where we have disputed funds, and we've been able to actually bring that money back over to us.

Okay, that's tricky.

So, yeah, it's very tricky. And luckily I haven't been in the thick of it all, because I've only been here a year.

Yes.

So, I mean, but it comes up. People will say, "Well, I'm really upset about this, or I wish it would be like this", but there's nothing we can do.

Yeah, what can you do?

Yeah.

How do you all define donor relations here? What is that to you all? What does that mean?

I think it's all the ways that we keep our donors engaged in the life of the hospital. And the ways that we ensure them that we're being good stewards of their gift. So that could be anything from events, stewardship reports, donor acknowledgments, donor giving societies, you know, it just kind of ranges, donor recognition.

Yeah, right. Ok, I guess, let's start with acknowledgment process. Do you all have kind of a formalized...like if you receive a donation and you send a thank you letter? Is there any kind of protocol for that, just on basic acknowledgment procedures?

Yes, I'm going to pull up my notes because we just revamped this...

Donors of \$1.00 to \$999.00 - get a combined letter of receipt with an electronic signature;  
Donors of \$1,000.00 - 9,999.00 - it is a more personalized letter, but it still has an electronic signature; And then when we get to \$10,000.00, it's that same letter, but with a live signature.

Okay.

And then above \$50 thousand, they get a personalized letter in addition from our hospital CEO.



Okay. So you all do have that outlined pretty specifically.

And at the \$10 thousand level, they also become a member of our Society for Leading Medicine, so they'll get a separate welcome packet for that.

At the \$1 thousand level, they're a member of our Distinguished Donor Society, so we run a listing of those members quarterly and they'll get a welcome letter for that.

And then, those two societies, could you tell me, do they receive some benefit from being in those? What's the deal with those two?

The Distinguished Donors will be listed on our Web site, this is the \$1 thousand level; They will get a subscription to our Leading Medicine Magazine

Okay.

And that's pretty much it.

Okay.

At the \$10 thousand level they also get a listing on our Web site; this is the \$1 thousand level; We also do a listing in our magazine; And then they get invitations to our events, one of which is our Leadership Ground Round's Program, and it's a really neat one-half day educational tour of the hospital. So we'll invite a group of donors, or prospects in, we have about two per month. Sometimes they can be focused on an area of the hospital, like cancer, or sometimes it's just a general day. But they'll come in, they'll have breakfast, they'll hear from physicians about the research taking place, and then they'll view a surgery, and we conclude with lunch and a kind of question and answer. One of the things we do, which I can show you, is we give each of our attendees a lab coat with their name on it. So what we're going to do in this next year, when they come up to get their lab coat at the beginning of the day, we'll also note on their lab coat that they're a member of the society and recognize them that way.

Okay, great.

We also do pictures of all of these after the event and we hand-deliver them.

Very nice. They don't have to pay any extra fee for going to this event, they're just invited because they're at that level.

Yes.

Okay, that's really great.

Let me see if there is anything else I missed...well, they will also get the magazine.

Right.

We do a nice little welcome packet that we usually hand-deliver to these people if we're able to get in front of them. They're also, if they're not a member of our platinum patient services, which is kind of our VIP access to the hospital, then that will also be included in the welcome packet, an application, so they can become a member if they want to.

Okay. And then you other group, the \$10 thousand and above.

That was the Society for Leading Medicine.

Oh, okay, I'm sorry, I'm mixing it up. Okay, so it's the Society for Leading Medicine.

The Distinguished Donors is the \$1 thousand.

Right.

The Society for Leading Medicine is the \$10 thousand.

Okay.

I'm hoping to do, in the next couple of years, Accumulative Giving Society, but we don't have it now.

Yes, that's interesting.

A lot of it is we have to go back and look at...

...that's what I was going to ask...

the previous 990's and...

...figure it out...

...yes, make sure that we're not excluding anybody that has been really close to the hospital.

Right, so that's going to take a lot of research.

Yes.

One of my questions, that you kind of answered, was do you acknowledge first time donors differently than repeat donors? You kind of said, for these levels you would send them a welcome packet that they had reached that society, but in general is there anything?

No. I mean we really don't treat them...

You said you published names in the newsletter for the (Society) of Leading Medicine, for recognition events, is one of them that you were just talking about? Would you call that a recognition event or just more of like a stewardship?

Those events are kind of two fold, we use them for stewardship purposes, but we also use them for cultivation events, so a lot of times, we get our donors to invite their friends, so they can be prospecting events for us as well. I will tell you that we did, what I would think to be a recognition event last year, it was an event in honor of our endowed chairs, so these donors give at least a seven figure gift to name an endowed chair at the hospital, and we had an event where a quintet from the Symphony came and performed, and our board chair introduced all of the donors and talked about the achievements that the endowed chair was able to make due to the donor's contributions. And we have these plaques on the wall at the hospital that are really nice, and I made copies of each of the for both the physician that helped the chair, and the donors, so everyone walked away with a sample of their plaque...

...that's nice

...that's on the wall. We are looking to do maybe one or two large scale stewardship events each year. We have partnerships with the Symphony, the ballet and the opera, where their your official healthcare providers, so because we do that, they offer us tickets and receptionist opportunities in conjunction with performances, so we use those for stewardship opportunities.

And we're also looking at doing something for maybe our society members this year, maybe some sort of event, maybe with a speaker or something, but we try to do one or two of those a year.

Okay, that's great. Other than these two giving society levels, do you segment donors in any other way, based on giving? I guess in your acknowledgment process you have them segmented like, this group receives this...

Yes...

You all don't have any other societies...I guess what I'm asking is they're not segmented by different giving levels within society, like \$1 thousand to \$5 thousand.

No, we do have a planned giving society.

Okay.

Which is our planned giving society, so if it's a planned gift, above \$10 thousand, and it's realized while their living, then we will put them in both societies for that year.

Okay.

But no.

Okay.

We're pretty simple.

Yes, no, that's good.

Yes.

And then, kind of like reporting back to your donors, how do you all communicate with them, like...this is how it's going over here, this is what your gift is doing for us in other ways?

They, well really on us on the development officer that secured the gift.

Okay.

If it's a gift above \$50 thousand, then our writers will prepare a stewardship report. And these are really nice reports where these writers will go and interview the doctors that are using this donor's money for research and get their latest details on their project and develop a report and it will go with a cover letter signed by our CEO. So we do that for gifts above \$50 thousand. Gifts to endowment, because we're using those really in perpetuity; the revenue that's generated from those.

Right.

And also gifts, or pledges of \$1 million, that have yet to be fulfilled. So if someone pledges \$1 million, and they have yet to pay it out, we'll be sending them a stewardship report until they've paid it out because it's over \$1 million. So for us that ends up being less, well not to mention the gifts below \$50 thousand, but that are required, so maybe a foundation gave us \$50 thousand, but as a stipulation for getting the gift, we have to submit a stewardship report, so we'll put those on the list as well, on our calendar. But it turns out to be less than fifty stewardship reports that we do each year. And we just kind of encourage our development officers to maintain that relationship with those donors.

Right. And then you said they receive copies of your magazine? That's just the \$1 thousand ones on up, donors receive that.

Yes, they'll receive copies of our magazine...that's just another way of letting them know what's going on...We also have this community leader's letter that we send quarterly that's just kind of got updates about what's going on in the hospital and it's sent from our CEO.

Okay.

We send them that.

Okay. Do you all do anything like annual reports? (Inaudible)

We don't. A couple of years ago, they did a report to the community, we have a large community benefits office that gives I think almost 7 figures worth of donations out into the community, so it talks about our work within the community and there was a thought that maybe we could roll in how donors have impacted us into that, but we have not done that yet.

Okay.

And we've also talked about doing a year-end letter to donors, but right now, the community leader's letter takes that place.

Yes, you would not want to repeat it.

This is kind of a general question, what are some ways that you all maybe contact donors without soliciting them? You know, just periodically throughout the year, whether just to talk to them...we kind of went over what you do for reporting back to them. So I know that's kind of open ended.

Yes, well it's invitations to events, being on our mailing list, we have a process for making thank you phone calls to all donors of \$100.00 and above, so unless it's a vendor, or special exception exists, every donor will get a phone call from a development officer thanking them for their gift. And to be honest, we're really focused on major gifts; we don't have a streamlined annual giving program, so the thought is really that we have these select donors that give this much so the development officers should be able to maintain that relationship.

Okay. Do you all do any types of e-news letters or e-mail your donors, or have a Facebook page, anything new technology?

We have Twitter. We have Facebook.

Is it an institutional standpoint or does the foundation have...

Marketing. Our marketing does it, in fact, usually, and I think they tag it on my e-mail signature every time.

Okay.

I'll have to send you an e-mail, but we have a Facebook and we have a Twitter, we also have an online newsletter. We have our "Healthy Knowledge" newsletter and we have "Leading Care for Women", which is a newsletter for women that we send in the mail.

Okay.

The e-news letter, they really have to opt-in though.

Okay, that makes sense. And on (inaudible) or Facebook, is there a place to donate online? Do you all utilize that?

Facebook and Twitter, I don't think they donate; we have capabilities for them to donate online. There is an opportunity for someone to go onto our Web site and make a donation, however, I don't think it's the best and I don't think it's utilized.

I think I find that with a lot of organizations, people don't use it as much as they would think.

Yes, and when I used to work for another organization, there was a big push to do all this online giving and e-solicitations and it just got to be very tedious, and it was not very lucrative at all.

Right.

And, I think industry standard is like, you can get .2 response rate, or something like that, and I think eventually we'll get there, but right now, it's just not worth our time and effort.

Right.

And I think a lot of our donor base is just a little old school, so they still want something in the mail if we're having an event, and they're probably not going to get online.

Yes. Are there any other events that you all have that recur annually?

There's one event we've been working on, it's called "The Women's Health Symposium", and it's a one-half day educational seminar.

Is that open to the public?

No. It is by invitation only. We do invite our donors and prospects, but there's also a symposium committee and it's about twenty ladies, and I have asked that each of the ladies invite at least eight of their friends. So that is a way to increase awareness, not only about us, but also about our Center for Women's Health. We have a State Representative who is going to be our Key-note speaker, but last year, or in 2008, it was Barbara Bush...

Oh, wow, that's exciting.

Yes, because she's had heart surgery here, so yes, trying to live up to that expectation.

That's hard.

Yes.

Set it very high.

Yes, that's on February 26<sup>th</sup>. You should come back and go through the day. We also this year, had our first ever Fund-raising Gala. The Women's Health Symposium, by the way, is free to attend, and I think eventually it might mold into a fund-raising event, but we're just not there yet.

Right.

But this year, we had our first ever fund-raising event, Fund-raising Gala, and it was commemorating our 90<sup>th</sup> Anniversary

Wow...

Larry King was supposed to be here, but he got sick, so they had to do a satellite feed...

...Wow...

Yes. But it was a successful event.

Yes, it sounds like it.

We're very lean staffed, so we don't think we're going to do these kind of big galas on a yearly basis, but maybe...

...every other?

Yes, something like that. We also have a 5-K Stride for Stroke, a run/walk for stroke awareness.

Okay, do you have any other type of do you all do maybe dinners with donors, like smaller, more intimate events that just kind of serve as a cultivation event, but also kind of a stewarding?

Yes, we call that a "Salon", and we look at those very opportunistically, like someone may say "I want to host something in my home", then we'll make it work, based on their interest.

Okay, got it...

But we're not going out saying "Who's going to host a Salon?", because there are a lot of opportunities to get people in the hospital.

Okay.

But sometimes those evening events work really well, where it's informal, and a donor, or donor prospect can interact with the physician on that kind of...

...more intimate...

...level, yes.

As far as events, maybe at the hospital, do you all do tours or anything like that?

No, not unless it's associated with the leadership grand rounds.

Okay.

I mean, that's not to say that if someone wasn't like...

...if they asked for it...

Yes. Sometimes, if someone will go through the hospital, and they'll really like this lab or this area, they may call me and say "hey, I want my friend to see that", and I'll say okay, and we'll do a little special something for them.

Okay. It sounds like you all do have kind of an outlined plan or protocol for at least acknowledgment and some stewardship. Is that fairly new, or is that kind of a work in progress?

I'd say it's very brand new. Being here just a year, I've found that whereas our leadership may say "Yes, Mary(?), that's a good idea", when I try to implement it, it's not the easiest thing to do. So what I've done is create a Stewardship Task Force, and that's what we are in the process of working through. So I have set-up meetings with, internally, with topics like "Our Giving Circles", "Our Donor Acknowledgment Process" our events, our collateral materials, so we're all getting together and we're all on the same page and saying "this is what we're going to do", Because while I manage our donor relations program, I can't run the acknowledgment letters. I can't write the stewardship reports, I just have a broad picture of what we are doing, and making sure that we're doing it. So, we are in the process of developing a more formal plan. Which will be done at the end of this month.

Oh, that's exciting.

Yes.



Good. And I think from some of the other people I've talked to, that's kind of more and more recently; people are deciding to do that. Some of them still do it off the cuff and they let their developmental officers handle it on a personal basis with their donors, which is good too, but, I think it's also good to have some structure in there.

One of the things we do is kind of quarterly, yes I would say quarterly, no more frequently than that, but we kind of just take our top donors and look at them and say "okay, what are we doing with these people, what do we need to be doing" and kind of get everyone in the room and decide, do we invite them to this event, do we get them in front of this physician, do we invite them to the opera, because we have tickets, or what is it.

Right. And I guess that kind of leads into what I was going to ask you next is, do you tailor your stewardship to donor's needs and wants? So I guess if you had, potentially, a donor that was interested in the opera, you know, being able to understand what they want and what's going to click with them.

Yes, we can track that in our system, like whether someone has an interest in arts or sports, so as we have tickets available to those sorts of things, we'll pull a list and see who might have an interest. Another thing is, we always encourage our donors to give to a specific area of the hospital. When we do things with a particular area of the hospital, then we may think about contacting those donors who are supporting that area. For example, I work with our Cancer Center, Diabetes and Women's Health. I'm a fund-raiser for those service lines and I manage our donor relations program, so we have all these hybrid positions. But there is someone who does transplant, there is someone that works with neurological institute, so I know what is going on with our cancer center and then can invite my donors to those sorts of things.

Okay. And then, the way you all have it structured, do you think that the level of stewardship a donor receives is dependent on the level of their gift? The greater the gift, you know.

Yes, I do.

Are there any ways that you all are trying to access the way the donors feel about things or the way it's working on their stewardship, like via either survey or just a little feedback form?

This is one, it's not about stewardship, but I do put a questionnaire in our Society for Leading Medicine welcome packets, and it's just the best way to contact you, what's the best phone number, can I sign you up for our e-news letter or magazine or our Leading Care for Women newsletter and then it says "tell me your interest in some of these programs." So it has our Heart Society, which is going away, that's going to be the Distinguished Donor's Society. But Leadership Grand Rounds, which is the tour of the hospital, our Planned Giving Society, our Strike for Stroke, which is our 5-K walk or our Women's Health Symposium. So when they say their interested, we go back and we code them in our system.

Then we also say “which three of the following medical conditions are most deserving of emphasis here:” So this person says “Orthopedics, immunology and stroke.” So he may give to you know, diabetes, but here we know that he has an interest in stroke.

Okay.

And then I also list the dates of all the Leadership Grand Rounds and I say “let me know when you can come” and then there’s a check box if they have additional questions. And some people do check them and they say, you know “I have additional questions about this society”, and I’ll make a phone call and see what their question is.

So these kinds of surveys just go out once a year with the mailing?

I run the packets quarterly, because my hope is that the developmental officers will hand-deliver them and talk to them about the society, so I can’t do it yearly, I wish I could.

Right, I understand.

And, let’s see, I’ve gotten probably 50 members, and I’ve gotten five back.

Yes, I know.

Okay, I don’t know how you all handle this since you’ve had the major switch, but say you meet a donor that has given to you a significant amount before, but has fallen off the map, is there anything that you all do to kind of get them back in or do they just still receive the magazine and information?

To be honest, once someone is on our list, they’re not falling off, unless they tell us that they want to be off. So they will still receive all the information. To be honest, I don’t know the answer to that question. I’m sure, if it was a major donor, I would assume they would be giving to a research project or area of the hospital, and I would assume we would keep them updated on the progress of that project. And a lot of times, it takes several years for these physicians to use these big gifts, especially if it is of a seven figure level, so I would imagine that the reason why someone might lapse like that is because either they gave to capital and their name is on the building now, or their money has not been used.

And I guess that question also may refer more to annual giving? Because I think that happens a lot more with annual giving campaigns and things like that where you give \$1 hundred here, but then maybe never...you know, so I guess that is maybe a little more geared towards that.

Yes, part of the reason people don’t renew their gift is because they don’t remember they made it.

Right.

What are some ways maybe that you all encourage the development staff to build personal relationships with donors?

Well, we have contact goals.

Okay.

So we are supposed to make 10 to 12 visits per month. Face to face visits. And we are thinking about putting a piece in there for stewardship. Whether that be a phone call or an invitation to an event, maybe there might be symmetrics based on that. So that's part of it. Each of us also has kind of a leadership grand rounds that we shepherd through. So that means that we're developing an invitation list. We are asking our donors to invite their friends, that sort of thing. I prepare the packets for society, for their hand-delivery, so I will prepare them and give them to you and say "please hand-deliver these." So that's another thing. We also are pulling call lists for thank you phone calls. So we will say "these are the people who have made gifts, please call them." That sort of thing. I'm trying to think if there is anything else. If it's a gift below \$50 thousand and they're not getting a fancy acknowledgment letter from our CEO, their welcome to do that themselves. Who knows if they ever do though?

Right. Okay, and then this one is kind of an overview question, a lot of people have been saying that stewardship, they have seen an increased importance of it during the economic downturn, like organizations are realizing that it is really important to keep this base, especially now, when it is harder to cultivate new. Do you see a greater importance, or any kind of change? I guess, you have only been here a year, so it's hard to compare.

Well, I guess them hiring me is a testament to that increased need. So, I would say, most definitely.

Yes, because I have seen that across different organizations, if they are not doing it currently, it's something they are thinking about in their head and in their goals and they are understanding that they really need to, it's an area of focus.

So is anyone that you have talked to, like a Director of Donor Relations or something and that is like their main job?

Only at the bigger organizations and of course, they have like five people in strictly stewardship.

And that is one thing that I try to do, is get our researchers to do some data mining, and then even if it is \$100.00, I want to know people who have consistently given to us for five years. And I will tell you, the first person I visited, I need to find out what his gift was...because his gift just...he was giving \$200.00 on a yearly basis, and I went on a stewardship visit and said thank you...he gave \$4,000.00 this year. That is amazing.

Yes.

All I did was say “thank you” and sent him an e-mail and said “hey if you...” I did ask him for \$10,000.00, but said “if you want to join the Society for Leading Medicine or (inaudible), or whatever” and his wife was a patient here, so he was really grateful for the care she received. But yes, I try to do that, but it’s hard when I’m responsible for some financial goals as well.

But, you all are still not quite caught up, but it is just so very different from most other places, because it is just on a huge scale.

Yes.

What are some of the challenges you all face in practicing stewardship? Are there limitations due to the budget, staffing, time, etc?

Yes, though the biggest limitation for us is the lack of human resources. Though the manager of donor relations, I am still a development officer supporting our cancer, diabetes and women’s health service lines. Our writers, gift processor and other development officers also have other responsibilities outside of stewardship. There are many programs that I would like to implement but because our human resources are limited, our stewardship efforts remain basic and streamlined.

Do you feel you have sufficient funding to complete all of your stewardship needs? I think the lack of staff is a bigger issue.

We have the budget to accomplish what we are able with limited human resources.

The research breaks stewardship down into 4 parts, reciprocity (acknowledgement/ recognition), reporting, responsible gift use, and relationship nurturing. Do you feel your stewardship practices focus specifically on any one part more than the other?

Although we focus on all of the above, I feel like we spend the most time on reciprocity and reporting. Because the Foundation is just five years old, it is important for us to streamline and focus on infrastructure so that we are able to expand our stewardship efforts in the future. As staffing increases, we’ll be able to add more personal elements to the program.

So I’m just compiling all my data right now, and the goal is, just like I said, to look at it collectively as a whole, and kind of give a general map outline because a lot of the books I’ve been reading they tell you what to do, but nobody is looking at what is actually being done, and kind of what is feasible.

Yes.

Well, thank you very much...

...well, thank you...

...for just taking the time to talk to me today. I really, really appreciate it.

## **Interview L**

I don't know if you had a chance to go through the questions?

I glanced at them. Some I don't know the answers.

Some at the top are general questions, you may have the basic information on your Web site.

Yes, that would be great.

First, could you tell me about the development staff and what are the different jobs, do you have someone specifically in charge of stewardship, how do you split up the work among your staff.

We are small staffed. There is myself, and then I have two other full-time people as well, one is, she manages our database and the logistics of our fundraising events, and like donor processing, with the gift thank yous

Okay.

Then I have someone that does more of the marketing aspect of it, the press releases, annual reports, more of the creative design. That type of thing. They assist on the signature events and do some letter writing from an annual campaign standpoint. Then I have a part-time person that is a coordinator of the two signature events. So, that is our staff. Three full-time, one part-time person.

Okay. Then, kind of how do you, as a fund-raising practitioner, define stewardship or donor relations. What does that mean to you?

Are you talking about annual giving?

Just how you manage relationships with different donors. How does that fit into the fund-raising process? Is it a priority? How do you manage relationships through phone calls, letters, you know, how do you stay in touch with people.

Probably our annual giving program is the best way. That is where we see lifetime donors. We have a process where we bring our donors into the organization through tours. That is kind of our entry piece. We have a tour we offer twice a month, and it is called, come behind the scenes, it is not an ask per se. It is more a did you know, informational tour. We showcase who we are, what we do, where donor support has helped us get where we are. Where there are needs, but we don't directly make an ask. Then, we do have a fund-raising luncheon during the year.

Okay.

Where it is a one-hour impact filled luncheon where we tell our mission and what we do through patient stories. And that is done through the form of a video and also our CEO shares the vision of the hospital. The video might showcase three stories, a patient with a heart scare, or a patient with cancer, their journey through cancer or maybe a pediatric or burn patient story. And try to showcase our community hospital and different areas.

Who all is invited to this?

It might be some donors that supported capital campaigns, but maybe haven't supported annual. So we are trying to get them out and to be annual donors, not just times of capital. Or it might just be event donors. They come to the father-Daughter event. We want them to become annual supporters, not event supporters. Once they become annual donors and enter a gift society that is introduced at the luncheon as well.

Okay.

We usually have two events a year, one at a donor's home and one at the hospital. Donors at a certain level or above are invited. A physician might be speaking about a new piece of equipment and then a cocktail reception with punch. Then the one at the community might just be a nice social gathering in the fall. It may be celebratory or highlighting where the hospital is going and what they have accomplished this far. Other forms of communication go out in the form of an annual report. We do an e-newsletter.

Okay, does that go to everyone?

Well, right now it is sporadic in the sense that it just goes to our board and the big donors. But we are trying to make that piece more available to all levels.

Do you mail annual reports to everyone?

It is an expensive piece.

I know.

It is passed out at the luncheon, and 300 people come to that, and of course extra copies are here and it is included in packets on the tour. It is used in different corporate presentations and things like that.

The tour, how do you pick the donors, do you recognize prospects and invite them on the tour?

It is an organized tour. We go to three key areas in the hospital. Um, right now, I am not focusing on totally new donors. We had a large capital campaign five years ago, and it was an expansion of this hospital. The emergency room was added on, it was a 5.5 million dollar expansion.

Okay.

And so, 323 donors helped raise 5.5 million dollar. SO, not a lot of donors, but a lot of money. I would like to make those donors annual donors. So, I am trying to bring those donors back in the hospital. We also have a lot of grant supporters and foundations, locally. A lot of those send a check and give the grant, but they don't necessarily come up to see what it made possible.

That is great. What is your protocol for acknowledging gifts? Through the database, format letter, that kind of thing.

The mail is checked twice a day, deposits are made twice a day, and it goes immediately into our database, which generates a thank you. At the end of the day, I see a report and the thank yous are attached to that report.

Okay.

The reports classify what types of gifts, whether it is a memorial or honor or in tribute of a nurse or certain department or for an event, like father –daughter. It could be just a general support thank you. Then I sit and I sign those. And if I know a special person or donation, I pick up the phone or have the CEO call them, or someone on our board. Or if I know someone else helped work that donor.

Someone with a closer connection.

Yeah.

Okay.

Of course you never share the amount. You are saying they made a gift and we want to let you know if you run into them, please thank them.

And if you get a first time donor, is that handled any differently than a repeat donor. Or are the thank you's generalized.

I mean, it is different thank you's.

So, different formats?

Oh yeah. Different letters for different occasions. I like to personalize my letters. My assistant here, it probably drives her nuts. I see it and I think no I don't like that, and she re-does it. I also

always write a note on the bottom. "Thank you for your generous support, we look forward to seeing you at the next event," etc.

Let's see, you said e-newsletter, do you send a hard copy?

No. It was getting so expensive.

Okay.

The hospital has a newsletter they put out and it is all around the hospital, it's called the exchange. The Foundation puts articles in there, about new programs things purchased with donor dollars. So it has an angle to it. We mail the exchange to our board and certain level donors. They come out size times a year.

Okay.

We do use those, but we don't generate them or pay for them. So that is good.

Yes. And you mentioned recognition events, like the luncheon, are there any other events?

Yeah, there is, during like a capital campaign.

I guess that is different.

But yeah, the hospital had a couple different things; there was a dedication for the chapel. Or a big piece of equipment. You know when that was brought in; there was a night just to see that.

Ok. Can you tell me how you segment donors based on the level of giving? You mentioned giving societies. We launched a major giving society called the major donors giving society. It is a minimum of a \$1,000 a year for a five-year commitment if you join the society. The levels are \$1,000, \$10,000 and \$25, 000. Of course you can join in between those levels. You can say I will pay blank over so many years. But if you go above a \$1,000 for over five years, you are automatically in the society.

Okay.

If you are below a \$1,000 a year, it is called the gift of friendship. There is one more tier in there and I can't remember it.

Okay. Well are there any benefits associated with these levels. You know, if you are in the visionary partners society, do you get an e-newsletter.



No. The visionary partners are more for prominent display. There is a donor wall that is updated annually. We are going to list them on the Web site. We received 50 visionary partners at our first luncheon. SO that was the first launch of that society.

Okay great.

Yeah, we set a goal to pick up 50-100 a year. So we can have a stronger society built.

Let's see. We already talked about some of these. What are some ways you report back to your donor, like this was your gift; here is how it was used. Through letters, phone calls...

A lot of those forms of communication, it is in the exchange, it is in the e-newsletter, it is in the press releases, it is in the party.

Okay.

We don't just have a party to have a party. There is always a point. If it's a reception it might be from 6-8, but at 7 or 7:30 there will be a small program.

That makes sense. Lets see. Are you all implementing any forms of new technology, like Facebook, Myspace?

We started to use Facebook and Twitter.

The hospital, or the development office?

The hospital is on Twitter, Facebook, and YouTube, they use all three. The foundation though, we only use twitter and Facebook for our events so far. And we communicate with the board, younger members.

Have you had it very long?

Us, the last 3 months, the hospital maybe the last two years. Yeah, my younger board members were asking for it, the others are not too sure.

How do you utilize your board to steward other donors, invite them to events together.

We have a 26-person board, so it is kind of large. It is broken up into several committees. There is an executive committee of course, you know they decide when some rotate off, who will be new ones, based on the talents we want on the board. We also want a committee that helps plan that luncheon and the tours. So there are members that serve on that committee.

Okay. You mentioned younger board members, are you trying to target younger donors or parts of your board?

Yeah, I know some organizations launch junior giving societies or junior boards. Right now, I think a 26-member board is enough. When the visionary partners begin to grow, you are already have enough? I would rather add youth and balance to the board that has too much going on.

Right.

The board is well diversified, men, women, younger, just a wide variety from all parts of our society. Very reflective.

Good. And as far as stewardship, some of the research breaks it down into the elements of appreciation/recognition, relationship building, responsible gift use and reporting back to your donors. Do you feel they use all of your elements or are one more important?

I'd say we use all of them. I had to do a PowerPoint for our board and summarize the year and what we are doing going forward. For a board that meets four times a year, for one hour, because most work is done in committees, to make it make sense to them on various income strains and how we impact lives. So, I based it on three words, raise, create, and impact. We raise the money and the funds necessary to impact our mission. We create awareness that we do need funding and our mission, who we are, what we are doing. We create visibility, that type of thing. And impact, we impact lives, you know. So, raise, create, and impact, you know.

Okay.

So, they kind of got it, what are we raising it for, what are we doing, how do we get out the work, how do we thank people, how do we impact people's lives.

This is a little more specific question, do you have a formalized written plan for each person's duties, which sends out letters, who signs them. Is stewardship more formalized or do you alter it from donor to donor.

Yeah, it is formalized in a daily routine, like I said, there is processes daily, but like I change up, you know. I'll get my summary report of the daily deposits, and the thank yous based on the memorial types of gifts. Like gifts in honor of, such and such will be notified of your generous donation in memory of so-and-so. So I might know them and I might add something. I send it back to my assistant and she changes it and I got something down. So it is formalized and personalized.

Do you feel you have the budget to do as much as you can for stewardship and donor relations? Is that something you are going increase?

I think there is a balance.

Some organizations say we could do more, but it is the funding.

I think we have enough, you have to think creatively. I hear from donors, don't give me the blow-out. It can look like you spent way too much with, you know. They want you to put as much of that gift into the program or equipment. And it seems like you spent a lot on the thank you gift or on the party to thank us.

Okay.

So there is the balance, I think they would rather see some warmth and sincerity and creativity. I think that you can strike that balance.

Then, do you feel the level of someone's giving determines the stewardship you give to them, the attention...How much time and effort do you spend on stewarding donors and creating that relationship?

Yes, I think your society levels do matter. They do have the ability to make some large things happen within your organization. But you can't discount anyone walking in the door. That is why our tours aren't restricted to any one particular person. For instance, we did a tour for, a class recently for a gentleman who owns a college here, it is kind of a med-tech college, and so it's where they go to learn to be med-techs. So we were really wanting the head of the college on the tour, but he wanted to send some upper-level students, that are not really what the tour was geared toward. But we said that is fine. Well, they came, they loved the exposure, and they raved to him directly. He ended up joining the college as a visionary partner. Because he loved how we made them feel so special.

That's great.

Yeah.

Do you do anything to assess how your donors feel about, either you as an organization, your practices, a survey, or do you use your board to get the feel for what they like or don't like.

For instance, the event yesterday, we have a wrap-up meeting with the committee scheduled on the 11<sup>th</sup>, so not far out. At that event we will assess among the committee, but we are thinking about using survey monkey to assess the dads and daughters. Because lots of them registered to come to the event on-line. Many this year, did not go through the formal process. They all did it through fax and email. So if that is how they are communicating now, so we are going to communicate back to them that way.

That definitely makes sense. What about donors that haven't given to you in the past years? Do they continue to be part of your database? Are they still a part of that group of donors you are trying to foster relationships with.

Yeah, the ones we are trying to bring on the tours. We have launched this new tour and we would love your feedback, since you have such a long-standing history with the hospital. It would be interesting to see what they think about it from that perspective.

Yes. Okay, let me see. Have you seen an increase in the importance of creating these lasting relationships with donors? Especially with the economic downturn?

Oh, yeah. During times like this you do not walk away and try to find them later. Because someone else will have been treating him or her right, talking to them and communicating with them over the last few years. Whoever has been talking to them that are where their loyalty and support is going to be? We talked to them all last year, we didn't ignore them and we had a good year.

Great. Okay, are there any challenges you see that you run into with trying to build these relationships with donors, whether it is maybe the way you contact them? Are there any difficulties you are finding?

Yes, staff size; I feel I don't have enough time to go meet with some major potential donors. And the time it takes to cultivate them is a long process. I have been in the field a long time and there are a lot I know have potential for different areas of this hospital. I just don't know I have the time. I have only been here for a year, and I am going into my second year, and just trying to learn the system here, not only the foundation but also the hospital itself. I haven't even had to focus so much on the outside, because there are members here.

Right.

There are 3400 employees here.

Do you have employee giving.

We are trying to start an employee-giving program. I started a community one last year, and I am thinking why am I reaching out when there are so many here. United Way campaigns are conducted here and American Heart campaigns are conducted here. So why not start here. The dollars can stay within the walls.

Ok, well thank you so much for your time.

Okay. Well good. I don't have a whole lot of time.

Okay, thank you again.

## **Interview M**

Good afternoon Megan, how are you?

Great! How are you doing?

Oh I'm doing just fine. Let me come down here to your list of questions, which I appreciate your sending to me.

Oh, no problem. It's kind of lengthy, I'm sorry about that, but...

No, that's alright, let's see...okay, alright, well let's see. The scope of the Institutions function.

Yes.

Okay, we provide a full range of healthcare, primarily to children. Last year, we treated patients from forty-four states and two foreign countries.

Oh wow!

We have roughly 400 physicians on staff, practicing in more than 40 pediatric sub-specialties.

Okay.

Okay? How large is the institution? Well, there are a number of parts to the Hospital; we have, under the main campus roof, we have now, I don't know the exact number, but roughly 250 inpatient beds.

Okay.

Okay, we also have a, let's see, soon to be 34 bed inpatient mental health facility on the Campus, which is...I don't know if you're familiar with this area, but is about I'd say six to eight blocks from our main campus.

Right. Okay.

Okay.

Great.

How many patients does the hospital serve? Well, let's see, last year it was roughly 153 thousand patient visits; and that represents about 58 thousand individual children. You know, patient visits, there are some kids who come frequently...

...right...

...and then there are the great multitude of children who come perhaps once.

Right. Okay.

The organization's history? We were founded...we were incorporated in 1949 and opened our doors in 1956; we opened primarily to serve patients with polio.

Oh, okay.

And as that disease was largely eradicated, we made the decision to become a full-service, general pediatric facility, and that was in 1976.

We provide services now for patients and virtually every conceivable healthcare situation...there are some things that we don't do though, seriously burned patients.

Okay.

Okay? We do not do, yet, heart transplants, but I think that's on the horizon and I would expect in the next year or two that we will do heart transplants.

Okay. Great!

We do not do...or like most children's hospitals...we do not do multiple organ transplants. Occasionally, a child needs more than one organ transplanted and it's very delicate work.

...oh, wow.

...and we do as well.

Okay.

There are very few patients that fall into that category, but Pittsburgh has developed the expertise and we are big believers in having the care delivered by the most experienced caregivers for that particular problem.

Okay.

Okay?

Great!

Age of the fundraising function? Well, I'd say, like many organizations, we've been raising money throughout our history.

Right.

We had to raise money to build the original hospital, but I would say that we started an organized fundraising effort probably when we opened our doors; about '56.

Okay.

Okay? Size of the development staff? Five people.

And has that kind of been steady over time or has it increased or decreased?

No, it's increased. When I started with the hospital in 1988 there were only two people; a secretary and myself. We have since added an assistant director; we've also added a grant writer; and we have added a development coordinator.

Okay.

Okay?

Okay, great.

We do not have a specific staff member in charge of stewardship activities; instead I think that three of us work together on stewardship and that would be myself, the Assistant Director and the Development Coordinator.

Okay.

How do you define stewardship?

We define stewardship as the process of building and maintaining ongoing relationships with our donors. It is important for us to make our donors feel like they are part of our Hospital family, and we do that by keeping them informed, on an ongoing basis, about changes and improvements to our hospital. We let them know about our plans for the future and about how we have used the donations they have made to further our goal of providing the best possible care. We also acknowledge their support through our quarterly Small World magazine, plaques and, in some cases, recognition events.

And that stewardship takes, as it does in many institutions, takes a variety of forms:

It might be technologic (?) donors in our "Small World Magazine", which is our quarterly magazine that goes out to about, oh roughly 15 thousand households.

We have donor lists broken down by giving categories in some cases...for example, for our annual fund drive we do break donors down into categories. However, we also list Memorial

and Honor Donors and those aren't broken down at all, they're just sorted according to the person that they were either honoring or memorializing.

Okay.

So if Joe Smith passes away and we get ten gifts, then it's going to be listed alphabetically by Joe Smith and under Joe's name there will be ten names of people who made gifts in his memory.

Got it.

Other forms of stewardship? In some cases we do prominent articles in "Small World" about the giving of some donors.

Obviously the larger donors, in some cases, we have naming opportunities for Capital Gifts; we just completed our Cardiac Intensive Care Center and all of the rooms there were named and each one of the donors...in each room there is a plaque commemorating the generosity of the donor who paid for that room.

Okay, great.

So we have a lot of plaques here in the hospital. We do not have, however, giving trees and that sort of thing. We're not big on...big displays that have a multitude of names on them.

Right, okay, like donor walls, etc.?

Yes, that sort of thing.

Okay, gotcha.

Let's see, we do not have giving societies, although that's something we've kicked around.

Before I was here, I was at [name], in development, and [name] has, for example, the [name] Society; and while it's never printed anywhere, to be inducted into the Society you have to make a gift of at least \$1 million.

Right.

Well, we may do that because we've now had a few givers who've given very substantial gifts.

Okay.

Yes, there's no point in having the equivalent of a Society if you've only got two people in it.

Exactly, right.



Okay?

Let's see...

and stewardship...we also keep in contact with a range of key donor. For example; little things like dropping in the mail today to some of my key donors, calendars that the hospital produces.

Okay, great.

And, you know each month has a photograph of one of our patients; they're invariably young children who are very cute and you know I think people appreciate getting things like that out of the blue.

Right, definitely!

We also do...and I don't think that very many organizations that do this, like most organizations, we conduct an annual fund and for us that's done at the end of the year; we do that during the fall.

Okay.

And what we do in the middle of the year, typically around the first...oh, typically around the first two weeks of June, we do a letter over the signature of our CEO and the letter gives people an update on how things are going at the hospital; and it also tells them how we've spent their money. So if we went out with a specific target, well, have we used the money for that purpose? If it's, for example, it's dedicated to the construction of our CICU, well, where are we in that construction?

Right.

Is it nearly done? You know, my concern has always been that organizations take money and then people never hear anything about it; what you do with the money.

Right.

Do I believe that stewardship is important to the fundraising process?

Yes I do. I think it's important, but I do think that it can sometimes be overdone. I had a colleague many years ago and he is no longer there; but he was adept at cultivating donors, but he could never really ask for the gift and he cultivated and followed up with those donors endlessly, but, you know, at one point or another you've got to ask them to support you and sometimes ask them to support you a second and third time.

Exactly. Right.

So, yes, we do have to stay focused on what's important here.

Right. So then I guess could we talk more specifically about how you acknowledge donations and then maybe how you recognize donors after that?

For large donations?

Um, actually for, I guess could you tell me how you handle small donations and large donations; what the differences are?

Yes. Now small donations...

...maybe like annual giving...

...typically are handled just through our publication and let me tell you that we consider a small donation, I'd say anything under \$1 thousand.

Okay.

If it's \$1 thousand or more, in addition to a thank you letter from me, they'll get a thank you letter from our President and CEO. They're name will go in our "Small World Magazine" acknowledging their support of the project. And we list those names for things like the annual fund down to gifts of about \$1 hundred. Like many hospitals, we have a lot of donors; we probably have...active donors...I'd say seventy thousand.

Right.

And...but a lot of those donors are small givers; a lot of those people are sending us \$15.00 or \$10.00 or \$25.00. You know, I'd have to have a 50 page magazine in order to list all those names every time we got a gift; so we kind of have to have a cut-off point of \$100.00 and up.

And then for your annual fund you said you segmented donors into giving levels?

We break those down into categories.

And they're typical categories; if you want, I'll give you the names of them, but it goes from everything from Friend to Advocate to Benefactor, etc., and they're broken up into, I want to say, six or seven different categories.

Okay.

Um, going up to the top level is \$10 thousand donors.

Okay, and is the monetary giving level the only thing that distinguishes people from each category or are there certain benefits you receive at the higher levels?

There are no additional benefits that you receive.

Okay, great.

And what we find is that, Megan, that, and I don't think this is surprising, a lot of our larger donors tend to be older.

Right.

You know, what I find, I think people have more disposable income once their kids are off the payroll; you know, by that point in their lives they're probably making their maximum income and the children are gone so there's more disposable income. Typically that will be people in their mid 50's through, you know, their mid 70's.

Okay.

And, of course, we're... being a children's hospital, the benefits that we would offer them, I don't think very many of those people would want to come here for a luncheon.

Right.

I don't think there's anything I can do for them here in the hospital since we don't treat children over the age of...we actually go up to twenty-one. So I'm not sure exactly what all we could do for them.

Right, and it's understandable.

How does your organization acknowledge donations? We use phone calls. For some of our larger gifts, of course, everyone gets a letter. At the lower end, they get a letter from me, they're all personalized and individually signed, even the very small gifts. I have an older gentleman who lives in an apartment and he sends me six dollars a month. But he gets a letter and I typically will jot a note at the bottom of it thanking him again. You know, I'm sure that that's what he can afford and I think that's wonderful that he supports us.

Right. Definitely!

Now the donors at \$1 thousand and above will also get a letter from our CEO and typically I'll give a phone call to many of those people; I won't say all because it gets kind of hectic near the end of the year.

Right. I can imagine.

And a lot of gifts come in; but certainly I'll call many of our donors, just to thank them, even though they're going to get a letter from me. And I do that for two reasons: 1) I think that people appreciate the phone call; and 2) I do that because sometimes they tell me something about themselves and you know, I think development thrives on information.

Right. Okay.

Okay, let's see...

And then if someone donates to you all for the first time, is there any difference in the gift acknowledgment between maybe a first time donor and repeat donors?

No. Now if we get a second gift in the same year, there's a difference; I don't want them to get the same letter.

Right. Okay.

So we do make some changes to that, in fact, I had a donor who sent us two gifts, each over \$1 thousand just prior to Christmas. They sent one on the company and one as a personal gift. Was very nice of them and out of the blue they sent another gift, from the company, about...must have been about January 4<sup>th</sup> or 5<sup>th</sup>. So you know here these people made three nice gifts in about a week and so obviously I had to change that letter considerably and I just acknowledge how surprised and delighted I was to receive a third gift. That doesn't happen very often in a week.

Wow! Exactly.

Let's see...Specific time frame? We try to acknowledge all gifts within three days.

Okay. And then the next one kind of deals with, I mean, just what are some other communication tools you use to communicate with these donors? You mentioned the quarterly newsletter; is there anything else that is kind of like a, you know, a regular procedure that you all do to just communicate with the donors?

Some other we do in some cases, we send emails to thank them...well to update them on some things going on. People are curious; they like to know what's going on in your organization. For example: We sent out some information to a number of our larger donors when we received the H1N1 virus. (Vaccine?)

Okay.

And we were the first organization to get it here in the city and we have an immunization program here, "Mobile Immunizations". So I think that's the reason we got it because they

know we are set-up to deliver immunizations in mass and so we gave out something like...oh gosh, I think in the first two weeks, it was either four or five thousand...

...WOW...

...H1N1 shots and that's exactly what the CDC wanted us to do and I think it's impressive when the community needed it we were there delivering them in all parts of the city.

So that's the sort of thing you want donors to know about.

Exactly.

We have some donors who donate to a fund that we have here that's set-up to help families with special needs; and by that I don't mean medical needs. We don't use it for paying their bills. But for example, oh gosh, I had a mother who had a child in our...in ICU, no PICU, Pediatric Intensive Care Unit, and she was a single mom who had four children total and she had her own little cleaning business cleaning offices and that sort of thing. And the family had one vehicle and it was the van that she used to do her work, well, she would work all day, feed the kids, come over here to see the child who was in intensive care and, you know, she was working her tail off and we got word that her van broke down and it would cost \$600.00 to fix it; so we fixed it out of this fund. And for donors to then fund; I send them an annual letter telling them all the things we spent the money on and giving them details of the family situation, although we don't divulge last names of families.

Okay, let's see...I think we talked about gift levels.

I'm sorry, you're kind of...

... (clears throat), I'm sorry, is that better?

Yes.

Let's see, we talked about giving levels for annual giving fund; and then you kind of just went over a little bit about how you inform donors on your organizations fundraising success; is that primarily through the newsletter and emails like you said?

You want to know more about that?

Just if there's any other kind of ways or more specific things that you all do other than what you've told me already.

No, I don't think so. That pretty well covers it.

Okay. And then also, kind of on the same lines of informing donors; you spoke of that kind of annual report that you mail to them about how the funds are being used. And then do you all produce annual reports?

I'm sorry, I kind of missed that. Do I offer to what?

I'm sorry; do you all produce like a comprehensive annual report?

No, we don't. It's not required by the Fed's and it's expensive to produce one. And it costs a lot of money.

Definitely! I think most organizations are, that maybe have done them in the past, are looking at other options or getting rid of it all together because it's so expensive to print and mail.

Yes. And we haven't done one in probably seven or eight years now.

Right. Okay...let's see, I'm going to kind of skip down because we've covered some of these questions...what are some ways, and I know you've talked about just making personal phone calls or dropping the calendars in the mail, but are there any other ways that you're contacting your donors or talking to them without soliciting them with strictly, you know, stewarding them?

Well, let's see, we do everything from sending them or dropping off to them, in many cases, small gifts. For example, there are a couple of companies, and when we have events and produce t-shirts for the events, if we have t-shirts left, we might drop them off to some of our donors. We send out Christmas cards, we send, in some cases, we give small gifts to some of our donors, I would say none of them are very expensive at all, but you know, it's more of a remembrance than anything else.

Right.

However, we haven't done the kind of formalized thing; let me give you an example, at one point we did things like, pocket calendars and gave them to donors at a certain level and above. We did several gifts like that over a period of time and honestly it didn't really help us retain those donors; I mean we weren't retaining them at any higher percentage than we were before.

Okay.

So we weren't exactly sold on that idea and what I found is that key donors are going to support us year in and year out and I don't think it has much to do with any little gift that we might give them. It does have more to do with keeping in contact with them and keeping them up-to-date on some of the things going on here. And the other thing is, is with larger donors, it's important to build rapport. You know, that person (inaudible) is kind of like the person soliciting them.

Right.

I'm sure that all of my staff could tell similar stories. I can think of one donor that I go to lunch with occasionally and we talk about baseball, we talk about art, we talk about restaurants and we might have lunch for an hour and a half and the last ten minutes I will solicit him for something and I typically know his range of giving and generally that's all taken care of in probably less than five minutes, but it's all the other stuff that helps keep that relationship strong.

Okay, you mentioned earlier that you all don't do many luncheons or things like that; are there any special events that you all do kind of annually, either as recognition events or just different fundraising events.

No, not events that are specifically recognition. We have a multitude of events, but they're not recognition events.

Okay, they're more fundraising?

Yes.

And I will say this; you know I think we're in a little different place than some other types of organizations. You know, if you're an adult hospital in a community, you're competing with several other hospitals.

Right.

But here, we dominate the pediatrics' market.

Right.

And, you know...you can be in favor in the adult realm; or whatever and maybe then when one of the other ones solicit you, you might very well say "Well I go to the other hospital and I don't really have much interest in supporting you".

Right.

With Children's Hospital, we don't often find that to be the case. You know, people support us because we work with kids.

Yes, right.

And it gives us an advantage, quite frankly.

Yes, definitely.

If you went to [name], are you going to make a gift to [name]? Probably not. But people do make gifts to us regardless what adult hospitals they use, where they went to school or anything else. So we have an advantage there.

Okay. You mentioned earlier that you all use emails. Is there any other form of, what people call, new technology, like email, Facebook, My Space, things like that that you all are doing to try to, you know reach...

...let's see, we use Constant Contact to send out group emails; we use, I believe it's Facebook to let people know about events; and so we're using some of those things. But now remember, we also conduct a telethon; a radiothon, so we're on the air...we're in front of donors a lot.

Okay. Um, let me see...this is kind of a general question, but in the literature I'm looking at, it breaks stewardship down into kind of four elements which is: Reciprocity, which is, you know, acknowledgement; Responsible gift use; Reporting; and Relationship nurturing. Are there any of those four that you think maybe is more important than the others or important to successful fundraising and successful relationship building?

Well, let's see, I'll tell you what I think. Reciprocity is less important, except in this instance; if one of my good donors calls me and needs some help with something, it's not unusual for me to get a call from someone saying "I need to get in to see this doctor and he or she doesn't have an opening until April. Can you help me out Roger?" Yes, I can help them out and I can typically get them in within a week.

So that kind of reciprocity is important. But the sort of things that we give away, you know, I'm not going to tell you that people hang onto these and keep them forever.

Right.

Some of the things we give away for events we've had to rethink. For example, if you go to a golf tournament, typically one of the gifts you might get is a golf shirt and it's got the logo of the tournament on the shirt. We've done that for years. Well, you know, we talked to a number of guys that play golf and played in a lot of our tournaments and what we found was a lot of those shirts get worn once and then they hang in closets until someone cleans the closet out and gives them away to Goodwill, or whatever.

Right.

That's not a real good gift to give someone is it?

No, of course not.

So we've had to rethink what we give people as a result. And we've come up with other items that we give them in that instance. I remember in one project we gave away a hospital logoed ink



pens. Well, you know I mean yes you use it, but is it very important? Well, unless it's a really nice pen, no it's not. The...you know I told you about the pocket calendars.

Right.

Well, they're ok but you know, I think a lot of people are like me and you use it for a while and you forget to keep up with it and, you know, it gets sort of laid aside somewhere. You appreciate them giving it to you but, you know, I don't think it has a lasting impact.

Right.

I do think though, that nurturing the relationship in other ways; keeping people informed, maintaining human contact with them is important. We don't do form mailings. You know, every letter is individually signed, even if you send me a check for three dollars you're going to get a thank you letter that I've signed, and it's not going to be machine signed.

So I think we put the emphasis on personal contact in that sense.

Okay. Great! And then as far as kind of your acknowledgement processes and things like that... are those in a written plan that kind of everybody...it's a general understanding among all your staff members or is it just kind of you steward your donors on a case by case basis? How formalized is it?

Well, it is a general plan but each one of us stewards the donors we have direct contact with.

Okay, and it's kind of up to your discretion?

I, and my staff, all have their portfolio of donors. And those donors are used to dealing with those same staff members. I'm not going to get in the middle of it if a staff member is doing find, he or she doesn't need me.

Right, okay. And then, do you feel that you all have kind of enough money in the budget to steward your donors effectively? Like as you were saying, you don't believe in...

...now you're kind of breaking up. Would you ask that again?

I'm sorry, sure. I was just wondering if you feel that your budget sufficiently allows you to steward your donors and like maintain those relationships? I know you mentioned you know, you all don't believe in spending money just to spend money on little items, so you know, do you feel like you all are well equipped to maintain these relationships with the budgeting that you have?

Yes I think so.

Okay. And then the level of giving a person has; does that reflect the amount of stewardship that they receive?

Yes, it does, I mean, there's going to be a direct correlation. We spend more time with the larger donors; now there is one exception to that and that is we do have some donors who are adept at bringing other donors into the fold.

And so those people are treated a little differently because they're not just bringing their own gift, they're bringing gifts for other people.

Right, okay. And then what are some of the ways you all kind of work to make sure that you're mission of your organization is reflected in your communication with donors and you know, to kind of bring everyone back to what you all...where all their money is going...what it's big goal is?

Well, what we do is we put an emphasis on a, you know on a...how many kids we're seeing; we put an emphasis on some of the community programs we have and we have some great community programs and our donors are, I think, very pleased with that. And then we talk about how their money has been spent and what it's allowed us to do. You know, we always say, when we say...when we talk about the care we provide, we make it a point to point out that this is care that you've helped us provide. You know, you're a key player in this and we often point out to donors that if you see a story about a child at Children's Hospital receiving care, that we hope you'll take pride in that because you helped make that possible.

Okay.

Some of our community programs:

We have a program here; you know the poorest children in our community, or in any community, are funded through the Federal Medicaid Program. And Medicaid patient's families for let's say of four; that family of four can earn roughly up to \$40 thousand and qualify for Medicaid, but what is the likelihood that a family of four with a gross income of \$42 thousand can afford health insurance? It's not going to be easy. So we have a program that that same family of four can earn up to \$72 thousand and have no out of pocket expense from our hospital.

Okay.

If they have insurance, we bill the insurance company and waive any co-pay. If they don't have insurance then it's free care.

Okay.

And that's pretty important.

Yes it's VERY important. Okay, are there any ways that you all try to assess the donor's needs and wants?

Assess the what?

The donor's needs or wants through maybe surveys or just, I don't know...they give you personal feedback when you talk to them and you speak to them personally?

Well we do and we have a number of donors who, you know, have interest in specific parts of the hospital and want their support to go to that area. Once a donor reaches a certain threshold, and typically it's going to be a thousand dollar gift, then we want to get to know that donor better to find out where his or her interests lie; and you know, really begin the process of determining whether that person might be a candidate for a bigger gift and we do that typically on the phone or over something like lunch or a meeting at that person's office.

Okay.

We have...I'm waiting...should come in any day, a gift of, I don't know the exact size, last year it was about \$15 thousand from a parent, he's got his own business, he's got a child who is diabetic and comes here to our Diabetes Clinic. Well, he divides his gift equally between the Diabetes Program and whatever our annual (inaudible) focused on for that year. And I'll...well I've already talked to him to give him an update of what's going on at the hospital; we recently acquired the Infirmary and so I gave him an update on that and what that means and, you know, one of the prospects for it and I hope to go out and visit with him and a couple of other donors before the end of the month.

Okay. Great.

Donors remember that; they appreciate that.

Definitely. How do you all deal with donors that maybe kind of fall off your map for a couple of years; they donate and then they just don't give again.

You mean (inaudible)?

You know the classic last year but not this?

Yes, right, exactly.

Well, for people like that, we keep them on our solicitation list for three years. Now, if they're small donors, Megan I'm going to be honest with you, there's no way that we can contact them and find out why they're not giving in. You know their often too small. If, you know, if that person gave us \$50 last year and didn't this year then I'm not going to assume that he or she is

not interested in the hospital, I'm going to first think that maybe it's a little tougher year this year, whatever.

Right.

But for the larger donors, I will probably send them a letter updating them on what's going on with the hospital and do so at a time a little more frequently than every six months. You know maybe do it every three months to see if we can't bring them back into the fold.

Okay, great.

And in some cases I might call them and if it's, you know appropriate for me to do so.

Right, okay.

And the same goes for my staff.

And then do...you may have said this earlier, but what levels of donors receive your newsletter? Is it mostly a thousand dollars and above?

What level gets what?

The newsletter.

Oh no, every donor gets...every donor gets the newsletter...the magazine, yes.

Okay.

And it's a glossy magazine.

Okay. And then, from your experience in this field, have you seen an increase in the importance of stewardship over the years, especially with the economic downturn? Is it becoming more and more important to people?

Well an increase? I would say a concentration of stewardship efforts. Okay? You know the fact is, I think in an economic downturn, even for people who aren't affected, you know, they get nervous about their money. And you know, I can tell you my wife and I feel that way. My wife is also in healthcare and our income hasn't been affected at all, but we are watching our expenditures a little more closely because of the economic downturn.

Right.

But, you know, I think that what we're doing is concentrating more effort on those donors who are \$5 hundred to \$1 thousand donors. And trying to keep them in the fold. I can afford to use a few \$25 dollar donors; it's hard to replace the \$5 thousand donor.

And, you know, I don't know if any of your other interviewers have told you this, what I've found, over the years is this; I think we all have a kind of prioritized list of organizations we support and, you know, it may be a little different for all of us. Okay? For example, you're in school right?

Right.

Okay, as is my son and, you know, you...both of you may feel very strongly about the school so when you get to the age where you can afford to make some donations, that might be near the top of your list.

Right.

Okay. For some people, their church is very near the top of the list; for some people a particular hospital or maybe Habitat for Humanity or whatever is going to move up or down that list.

Now, fortunately for us, we're high enough up on the list of many donors that we're a little insulated.

Okay.

And what I do find is that we did see some falloff, but typically, what that means for us is; say the guy that gave me five-hundred last year gave me two-hundred-fifty this year; still supporting us, but not quite to the level that he did in the past.

Okay. Right.

And our hope is that, you know, as things get a little better, that donor will come back to the five-hundred level and ultimately go higher.

Okay, well I think you've really answered most of my questions and I thank you very much once again for taking the time...

...how many of these are you doing?

Fifteen.

Fifteen?

Yes. So I'm kind of...

...now is it all in healthcare or is it a variety of different organizations?

It is actually all in healthcare because I kind of had to have a specialized focus, so I am looking specifically at healthcare organizations. You know different sizes...

...well good luck with your project.

Yes, thank you very much!

Okay?

I very much appreciate it. You were a wonderful help.

Alright, thank you Megan.

So thank you, have a good day.

You too, bye.

## **Interview N**

Hi how are you?

Well it's pouring down rain here. It's a good day to do this. I'll put you on speaker. I have to be through by no later than a quarter till.

Ok.

So, do you just want to start and if I don't have enough information, if I am not answering them in the perspective you are looking for let me know?

Ok. Could you give me an overview of your department, how it is set up, what your staff is like, and their roles?

In general, a fundraising department should have expertise in it for office management, annual giving, events, and then for database management. And for major giving and planned giving. So if you need to know what's what I can tell you? And I just recently, it takes five years to work on what they call your CFRE, a certified fund-raising executive. So you can put initials by my name, woo woo. But some of what I am telling you is what I have learned about our industry standards. We are the fund-raising arm of the hospital, we know have, since I have been on board for 6 years, so for five years we had the foundation, the fund raising at this hospital was Children's miracle network. So what we did was combine that all under one roof. When you think of the pyramid, the base is your biggest area and that is where you have your annual givers,

your \$25, \$50, \$100. You have a lot at that level. So that is how you are getting them connected to your mission.

Ok.

They are coming in the door once a year. They are annual givers, and it is usually done through events or direct mail. The middle level is your major gift donor, so every philanthropy office says what their major level donor is. On our annual events we like to use \$1,000. But in a major capital campaign, it is usually 10,000.

Ok.

The very top of the pyramid is the planned giving and those are people who may put you in their will, they may want to do a large gift while they are alive. A lot of people have assets in their estate, and if they could get that asset out, then they would, that would help them with estate taxes, their family when they pass away. There are some very creative ways of taking an asset and putting it into a trust, then that money can go to a charity. After the life of the trust, it can go back to the family. And then, it can be the other way around, where the family gets the income for a while and charity gets the remains.

Ok.

So that is how you have to look at donors, based on how they connect to their mission and their passion for their mission and how you work with them on the stewardship side is a top priority.

Right.

Now, we have five people here in the office, an office manager, and events manager, a special projects manager, a database manager – database management is crucial with stewardship- and my role is director of development, but my role is major gifts and planned giving.

All right.

We have been here 102 years; 10 years ago we became part of the health system. We are an international faith-based non-for profit. We have almost 350 facilities in the southwest, southern part of the United States.

So, among the five people, how do you split up the stewardship practices?

Stewardship is based on what level of giving they are. So, people who give to annual events, they usually are touched, connected to the cause through the event, so any way that we can thank them, through our newsletters, of course when you have 5,000 people buy a duck for a duck race, its impossible to send 5,000 thank you letters, but what the stewardship is the event, they get the feel of the event.

Ok.

As you get into your major donors, the best practice is that you touch them annually three times, a minimum of three times a year, now touch means a phone call, a call to “see how you are doing, I haven’t seen you in a while.” Take them to lunch, dinner, go by their house and have a glass of tea. One-on-one is extremely important to the major gifts and above. Now, we are working on a donor wall, because we are almost at that five-year period, it is time. We have about 500 active donors. The wall will be designed for about a 20-year, you know, shelf life, so to speak.

So, will that be recognizing cumulative giving?

Yes, so it needs to be designed with flexibility so if I move up to a higher level...you know.

Ok.

We also do a quarterly newsletter. I am also big on personal letters, so that is manageable. We have an office of average size and we are able to personalize. The goal I think in philanthropy would be to have your database manager to create the letter from the database, but I found that we are able to do it on a more personal level. Because each letter is different as we work it that way. The office manager is very involved in the letters.

Do you have a protocol for the letters, like maybe \$1,000 and above get your signature, etc.?

I sign all letters, and our annual events manager is also the manager of our children’s miracle network program. So, 95% of our events are Children’s miracle network events. So, an appropriate thank you letter can go out, not in a huge quantity, she does that. We want to do it within 24-48 hours for a major gift and planned giving donors, the higher-level donors, and 24 hours at best. Now what we do here is a letter comes out from me and then we make a copy of it and send it to the CEO and we do his letter, which is very generic He sends a letter too, and he can write a little note on his. So, sometimes we call and say, do you call this person, Mr. Smith or Jim.

Ok.

Now a community this size, you can do a lot nicer things, because you know these people, where if you live in a Houston or Dallas, it is harder.

That is true.

We see about 50,000 patients a year, and we have about 270 beds.



Managing these donors, do you segment them by giving level? Are there any giving g clubs, recognition, your newsletter, is there anything like that where you have benefits associated with a specific giving level?

Yes, once a year we print their names in the end of the year newsletter. We call them societies here, and our theme is called 'shades of giving' and all of the societies are named after trees.

Ok.

We are in a capital campaign now, and this will take numerous years to complete. So, we are doing a lot of major gift fundraising. So, anyone who is giving at the major gift level, \$10,000 and above, we have a neat plaque, it is a piece of slate, well this is [name], anyway, she is an artist, and we had her do four original watercolors of the statues at the hospital. One of them is Jesus and Joseph and it really depicts the image of the capital campaign, to build a center for healthy living, family outreach, prevention, wellness, and education. We took that image and I found this woman and she has the most gorgeous Christian images on these slate plaques and each is a little different shape, so I sent her the image of Jesus and Joseph and she puts a prayer on the back, called the St. Joseph prayer, we get them this plaque with a stand to put on. The industry, the philanthropy industry will tell you, donors don't want you to spend a lot of money, so \$7 is the standard or below. And these, since we got in quantity, were less than that.

That is great.

You get creative with that. I have seen them in people's houses and it is a great conversation piece.

Yes.

Also, anytime there is a \$5,000 or more gifts, the American Press will do a story.

The anniversary of the hospital is on St. Patrick's Day and we do an event. A lot of donors come. It is not free, it is basically a cocktail party and they know they don't want to spend their money on a toy, so they are willing to pay a little to come.

What level of donors is invited?

All. We send out save the dates, and then an invitation. We usually get about 300-400 people. They love mingling. It connects the donors together.

Let me see, oh, do all donors receive the newsletter?

Yes, we also have prospects that receive it. Now with all of the regulations, and private health information. We have to mandate our language on anything, any kind of solicitation, I hate that

work. We are pressed for some kind of donation, but if you would like to be removed from the mailing list, please call the office. It is an opt out they call it.

Right.

We keep that on file. We have, if they don't get it to us in writing, I have the database manager write down whom she spoke to, when, time, and we keep that in the database. Now we can click on a box in the database where they don't get any more mailings.

What about annual reports?

Because our hospital is a non-profit, we are set-up as a department of the hospital, where the hospital has recorded that they can DBA the foundation (doing business as). So people write a check to the foundation, the hospital uses the tax id information, etc. So we don't have to be a separate 501c3. So we don't do a separate audit from the hospital.

Ok. And then, gifts of a certain level, do you create a gift agreement or some kind of document that says what the gift will be used for, etc.?

Yes, Major gifts that you know; right now we are trying to get a 3 million dollar gift to name the facility. So if that happens, we will do an agreement with them that specifies, lays it all out, where their name will be, how it will be used. So that we are all on the same page. Now I'm sure you have talked about endowments.

Yes.

An endowment is another animal that has to be written very carefully, because if someone says, I want to set up an endowment for such and such program and they give us a million dollars, the money that generates annually, is the money we spend on that program. If that program goes away, lets say there is new technology, you need to have in your document flexible language, that it needs to go back to the family or to the area of greatest need. People that want endowments pretty much want a direct or restrict it for some specific purpose.

Ok.

And its not really driven by a specific amount, it is driven by how restricted the donor wants it to be.

Stewardship, I mean, people want to give to an organization, if they say I want my money to go here, then that is where it is going to go. We don't get a whole lot of restrictions, but as we get more, there is a program development in this facility. Did that answer your question?

Yes.

Here is another example, there is another foundation that gave us money for equipment and someone as a cardiac arrest patient, coming into the ER, and it lowers the body temperature to reduce the amount of tissue damage, I mean you don't freeze them...

Haha. Of course.

And then, so we are going to have a demonstration and open house during February, which is heart month, to recognize and educate the community about this piece of equipment, since we are the only one who has it and then bring the donors on board. Ok so that engages them in their donations being directed towards something specific. So that is very good stewardship.

Okay.

For them to see it working and for the community to see it. And their name goes out there.

Are there any other letters or reports that goes out and updates donors on their gift or the progress at the center?

Um hm. That tends to be more, to me, a better way with that is not through a letter, but through that on-going communication, like "would you like to come have lunch with the CEO?" and they get to know the physicians and see what they are doing and the equipment they helped sponsor. To me letters are great, direct mail is great, but it just goes so far. I'm not a big lover of direct mail, but direct mail has gotten so much fancier, where to work with companies and you give them the demographics and psychographics you want and what your type of donor looks like and then they narrow it down within zip codes, say. And they go in and they develop a list for you and you can send that out, because it is much more targeted, then you get a higher response rate.

Okay. I'm looking through my questions and I believe we touched on several of these.

So, if we did an annual report, it would go out to them, but because we don't do it...now the health system, develops a system profile every year, and you have to remember now, the 2009, well anyway, they may be six months old by the time you put them out. You have to get your numbers in and audits done. So, it does a profile and within the profile there are sheets on each one of the hospitals and like the system statistics. Its all about what type of care we have here, we have the regional heart center, we have a geriatric day program, where we bring people who are older, a psychotherapy and education program. We have a diabetes management program. We have these fancy new hyperbaric machines. You know what it is basically spotlights things that we are known for and then we, what do you call it; publish in this, what our community benefit dollars were. So we break it into charity care and unpaid government, True charity care is when a patient comes in and there is a certain percentage of poverty, and they don't have insurance and we pay their whole bill. Then there are those that come in that are insured that have the ability to pay something. They may not be, our ruling is 200% of poverty. You know how poverty is defined by the federal government, I think a family of four maybe \$25,000 a year, something like that. So if they are 20% and they don't have insurance, then we absorb it. They can have that

family income and I mean, they could be \$75,000 a year, so they are not 200%, they maybe, I'm sorry, lower than that and they have to pay some of it. I'm not explaining this well...

No, I understand what you are saying...

Then there is the part, it may take \$5,000 to take care of this patient, and the Medicare or Medicaid, may be only \$2,500. So we have to give the other \$2,500, so that is called a government-sponsored program. Those two dollar amounts and what we provide in the community, sponsoring things, doing things, and we come up with that number each year, and it is about 12 million a year.

Okay.

So this is a nice publication that we do, and I will bring them to donors.

I think we went over ways that you touch donors, without strict solicitation, and then you talked about personalizing letters and information.

And it is nice, I will tell you another thing, you know sometimes people like it, and especially capital campaigns, we allow up to five-year pledges. They can pay quarterly, etc. And say they are halfway through paying the pledge, have a board member, we have a 21-member board for the foundation and they are from the whole surrounding area, so we tried to incorporate people from the neighboring areas. We meet every month. Donors like hearing from them. Just them saying we really appreciate your pledge.

Ok and e-philanthropy is getting big now. Your generation you know. Between your and my generation, yall love doing things online. All of our events we are starting to do, where you can adopt your duck online, and other events. The hospital now has facebook, and YouTube. The system has Twitter now, but we are not into that too much yet. You have to be careful, but facebook is going nicely. It's a whole new way of social marketing.

Yes.

And you can send out e-blast and you can do all kinds of things that way.

How long have you had a facebook page?

Oh, not even a year yet.

You know what, as you are putting together your thoughts, I know I talked fast; if there is something that you are not quite sure about, just email me. But if you want my opinion about stewardship, I would tell you that, that is the most important thing in fund raising.

What are some of the challenges to implementing stewardship, to all donors and practicing it thoroughly?

I don't find it overly difficult; I find the automation the challenging part. It is hard to automate recognition and thank you's with a standard letter.

Okay.

I think my peers would say that that is one of the hardest things, because one letter for one person...you know. If you do form letters and fill in the blanks with stuff in the database, it probably has 6 million versions, so I would say that is the hardest part. We are lucky that this size community is manageable.

Do you think - are you seeing an increased importance in building relationships and stewardship?

Yes. I think this is good for you, there are three kinds of givers, the emotional giver, that's the person where you hear something, see something and say I need to give to that. There is the habitual giver, and this is when Kay Barnett sits down and looks at your taxes, you realize you go to so many things, \$50 here and there and by the time we totaled it up, we could have done a couple of nice donations for organizations we had a passion for. Then, there is the strategic giver, so this giver is where most of my work is and where you find the more important stewardship, and this person actually sits down and thinks..."I want to give back some way, some how and I would like to give to such-and-such organizations." So sometimes, I think a lot, there are people that are strategic givers, but no one calls on them, and it is hard to know who they are. That is why we are lucky in this community to network like we can.

How do you define stewardship?

Stewardship is the careful and responsible management of donors' contributions to an organization. It is the responsibility of fundraising professionals to document donations in a manner that directs the donors' contribution exactly as specified. Good stewardship recognizes and thanks donors in a fashion that cultivates future giving. Until now, most donors reported that together a belief in the mission of the organization and the desire to have an impact on the people served was their number one motivation to give. Now donors report that stewardship and accountability matter to them more than ever before.

Okay. And also, the four stewardship elements, reciprocity, reporting, responsible gift use, relationship nurturing, do you feel one is more important than the other, or do you feel you practice one more heavily than the other?

These four elements - acknowledgement/recognition, reporting, responsible gift use, and relationship nurturing - are equally important and are the components that make stewardship complete. One or several without the others makes a weak program and a less chance that

donors will give again.

So, I'm excited and honored that you called.

Well thank you for taking the time today to answer my questions.

Stay in touch with me down the line with any additional questions.

## **Interview O**

Hi, how are you doing?

Good, thank you.

Thank you so much for taking the time to talk to me a little bit today.

Oh absolutely, absolutely. Tell me how I can help? What is it you're...you're doing a paper?

Right. I'm just kind of looking at how different fund raising organizations, or healthcare organizations for that matter, practice donor relations and stewardship; and focus on building relationships with their donors.

Okay.

And so I just kind of wanted to talk to you about what you all do as far stewardship and working towards building those relationships with donors though different ways.

Great, great. Okay.

So I guess, first could you just kind of tell me about the development program and what you all do and your role in that?

Okay. Well...I've been here 20 years; so I've seen a lot of development, if you will, within the program. Currently, we have 16 people on staff, including all of our support and our Vice President; and we're divided into areas from Special Events, Major Gifts; we do Planned Giving, Annual Support; we have a full-time person in [name], which we had had years ago, for seven years, and then we closed the office, Megan, and now we're back there now that we have a hospital; so we've got somebody full-time back there. Over all facts of the institution: 750 physicians in over 90 medical specialties and subspecialties and more than 300 clinical research trials annually and 11,000 employees.

Okay.

And we...every, as we call them, program manager has their area of responsibilities; we're unique in that we have a prospect researcher; and often times that's associated with the academic world and not healthcare. But, in addition to doing research (inaudible), she's a...her degree's in Computer Sciences so she does a lot of business (inaudible) and a lot of reporting and analysis for us.

So we have a very strong staff.

Okay.

And during the 20 years, I've seen us grow as high...have as many as 21 folks, but now we're down to 16; and that's just kind of how we've combined and I would say we're working smarter.

Right, right.

Yes, so for our donors, of course what we...to us, and I guess I should ask, is this all generic? I'm not going to be quoted or am I going to be quoted or is this general research on your behalf to perform your own conclusions?

Right, I mean it'll kind of be put into a general like conclusive of kind of what...I'm going to be interviewing people from several organizations.

Okay, okay great.

So you kind of won't be identified specifically within the report but just kind of the practices overall.

Okay, great.

I have seen the trends in the last 20 years that we are totally donor focused.

Right.

And without that, because donors are smarter; donors expect a, as you say, a stewardship or at least some type of communication about their gift; and it even...what, what I find, and I've got a piece right here in my hand, which is interesting...even on the level of a special event; whereas we do a solicitation for sponsorship and for auction items, or what have you; and of course, ticket sales. But then after the event, what we have done is to...we used to write a letter letting people know "Thank you for participating, we netted x number of dollars for our past event." But now we've got this adorable...I mean we're into the printed thank you cards and on it...I'm looking at...there are a half-dozen pictures from the day of the event and it specifically, of the record breaking \$110 thousand for pediatric programs, it spells it out:

\$11 thousand for Reach Out and Read; \$29 thousand for Pediatric Family Assistance...

So it really lets the donor know; and whether it's a donor of an auction item or a ticket purchase or a \$20 thousand sponsor; it's like "You helped put this together and this is what your, you know, money is going to go for and how it's going to help the patients.

Right.

And so that's, that's important; because without this cultivation and without the donor, you know, it's expected on a \$500 thousand gift; but you would not expect it...I think the donor doesn't expect it from a special event. And we just found that that's the way that we can really... 'cause events are kind of "friend-raising" and not necessarily "fund-raising".

Right.

And so this is the way that we can, hopefully, make an impression on the donor and so the next time they receive an invitation they'll say "You know, they sent me that nice piece of thanks; I think we can, you know, we're not doing anything, let's buy tickets and go to that function."

Right.

So that's one thing that I don't know of a lot of hospitals that do that, some do, but it's really important to us. We do traditional thank you for our... as our lunches. We have our annual support lunch that can be of a donor of an x amount during the past previous year.

Okay.

They are invited to this luncheon and it's a donor of cash or an in-kind product.

Okay.

And we usually try to have a special speaker so that it's an area of interest that's important that we want to promote and educate the public on; so that's important.

Oh, ok.

For our high-end donors; we have a benefactor reception. What we do...and by high end, we have a recognition wall and we've been doing this since 1995, Megan; with...from \$25 thousand in increments; \$50 thousand, \$100 thousand, \$250 thousand, \$500 thousand and \$1 million plus.

Okay.

And theses donors, it's strictly cash, it's not in-kind; it has to be cumulative, they do get credit thorough the years of their cumulative giving; and when you reach the \$100 thousand level, we recognize them with white lab coats with a small "d" of doctor of philanthropy.



Okay, great.

Yes, and this...and then we also have a plate, it's the size of a dinner plate, but it has an (unintelligible) on it or logo and just kind of a message on the back...a statement of saying how important their gift has been for us to achieve our mission because we're...what I term it's three prong;

We have, of course, patient care; we are a teaching hospital, so it's medical education: and we are a research facility so their funds help us with our mission of patient care, education and research.

Right.

And the thought process is if a couple reaches this level, well then the guy would have the lab coat and the wife would have the plate; that was kind of how it all started.

But the lab coats have been truly successful and we have been...of course imitation is the sincerest form of flattery...spoken at professional meetings about it and it has been adopted at facilities around the country because they loved it and they thought it was unique and it's that extra special kind of thank you for our donors.

Definitely

Traditionally we try to do a lot of one-on-one kind of luncheons and reporting back to folks as part of their stewardship. We used to do Newsletters and a lot of listing of donors; we've shied away from that in the very recent years; we're considering and talking and thinking, in fact we're having a strategy session on the 30<sup>th</sup>, of how if we're going to go back to that. I mean, our donor's are sophisticated, as I said, do we use the Internet in some fashion to communicate with them; would they rather see lists there or special recognition on the Internet.

Right.

We, from a foundation stand point, of course, some of their stewardship is almost mandated, but they want reports back. I'm sure you've found that they want to know if this is your gift they want a six month report; if it's, you know, for an annual if it's something ongoing they want to know exactly...you had to submit the budget in the beginning of the request for the funding and they want to know how that...how you're expending that...their gift.

Right.

And so there's a lot of dialogue and we have been fortunate, and this is a plus...

Right.

We had build relationships with a couple of national foundations that truthfully, we would have been in the pile of hundreds of applicants...

...Right...

...But with all the coverage, there's one foundation in particular that sought us out and they sought us out and they...the relationship started and now our foundation grants writer, our officer of that and he keeps in touch and they have given us two additional gifts, since that first gift in 2005.

Yes, that's great!

So that's a positive and it is focused on pediatrics, it's focused on our babies a lot, on our NICU and our newborns. So that's really significant and heartwarming that they know that there was a need for that.

I'm trying to think of what other kind of unique things that we do...

Do...as far as acknowledging donations, do you all have a protocol for kind of like who gets a thank you letter; how soon that's sent out? Could you tell me a little about that?

Oh yes. Well that, okay, we have a process...in our gift processing area we have a manager of our records...we pride ourselves to keep our records updated; we have a standard set gift...we try to get them acknowledged in 24 hours and when we had more staff we used to be able to, at the very most time, it's 48.

Okay.

Without a hitch. That...they...the acknowledgment has to go out; and, of course, included in that is all the, you know, traditional substantiation needed.

Right.

But what we do when they're gifts of a certain level, we have a... (Unintelligible) call reports and the program managers are emailed call reports and we've assigned people red flag initials; so if you send a gift and I have your red flags, then I will personally call you, Megan.

Okay.

We do that, and when we first started doing it, it's almost like it was the joke of the...when I'd say, I just, you know, "I'm calling from [name], thank you so much for your support of a society gift and we appreciate it" and they'd just kind of like say, "Well gosh, thank you for calling!"

Yes, right.

You know, and I had one gentlemen say to me, “I gave my church much more money than I sent to you all and I didn’t get this personal attention.”

Yes.

So, we just thought...and you stop...step back a little bit and you reflect; first we had to figure out what dollar amount was this going to happen? You know, if you sat down for a direct mail appeal and you wrote a check, where would you think they’re really giving, kind of that extra out of their pocket? And we said, “That’s a hundred dollars.” You know if you were to just kind of...a hundred dollar check for direct mail, that’s significant. So we said okay.

And then we started doing, you know, we want to make sure if that was a new gift, it was a hundred dollars.

And then we do things...we’ve got something clicking at \$250 and clicking in...but we get these daily reports because sometimes if there’s somebody there and I see a cumulative gift or I say, “Oh gosh, I haven’t talked to Megan in a while. She sent in \$50.00 for something; let me call her and see how she’s doing.”

Right.

And so that personal communication rather than a traditional form thank you letter means so much.

Yes, right.

And then when we...other do kind of kick ins when we get to higher levels we make sure that our Chairman of the Board and our CEO send an additional thank you letter because I’m sure in your research you know that you need to be thanked seven times (unintelligible). And we don’t do it in ways that people can say “well you’re wasting my money.” You know we don’t send gifts and the (unintelligible) even if you could for, you know, the direct mail or something And we don’t have these high glossy printed documents with their names all in it; we try to make it cost effective; we try to make it a little bit more personal and we try to let the donor know that their gift makes an impact and it really is important and it’s not just we’re like “ho hum, we’re a big institution so what thanks? But, you know, thanks...okay.

Right, right.

It’s like it really matters and we also have what we have called...and for certain things, it’s part of the cultivation but it’s also tied in with stewardship; what we do is...we’ve had what we call Progressive Dinners, if you will.

Okay.

When we know and we have some donors and donor's friends in a close area to one another...we have had...and it's also kind of besides cultivation and besides thinking, it's kind of an education part.

Right

You may have appetizers at someone's house and "someone else's may do an entrée' and then a dessert at a third house; and so they're all within walking distance and then we have someone at each place staying home to speak. At one home it may be...you know, for the dinner, it's going to be the physician who is going to talk about either what their last gifts have meant or it's something kind of on a wish list; what they're hoping to do and, we call it "The state of the union", you know the state of the union of Women's Services or Pediatrics or Cancer, or whatever; and then we also make sure that at the final house that we have desserts at the CEO speaks...and you know, he's eloquent, he's really good; no one who is in his presence can't be moved by his words, and so he thanks everybody and talks about the city and the history; and so that's another way. And of course, we're...it's only...that's only touching, I mean larger audiences with the luncheon, but it's another opportunity to get some key people together and let them know that what they're doing is important.

Right, often with those...

So we've had success with those (unintelligible) too.

Yes, and those...are those kind of on a regular basis or is it just...

No, they're kind of it...we kind of like...it's got to be, you know, all the pieces of the puzzle have to fit.

Right.

That it's...we just don't force it maybe, because then it wouldn't work; it's either a donor kind of rises to the top because they're so passionate about something and they may be talking with me and say, you know, "Boy I wish all my neighbors knew about this", just something as innocent as that and then we can say, "Well they can know. What about if we do this..." You know and then the wheels start turning and we develop it that way.

Right.

But it's through a strategy session; I think it's through the strength of staff; it's...we always, whether it's...and with tight budgets, some of us have the opportunity to go to conferences, but there's so much through webinars and through teleconferencing that we're able to...you know, we can get a whole bunch of people...we did one recently that we had marketing folks from our marketing department because we felt the topic was going to be of interest, you know broader

than just our office...and so you can get everyone around the table and listening and then you just kind of let your wheels turn...

...right.

...And see, well how can we tweak that for us? And you very much hear lots of times, like “that’s not going to work”. We’ve done something, and I have to share this with you; it may not be necessarily, but I think it worked and we presented it at...our professional group is the Association for Healthcare Philanthropy, AHP, and I don’t know if you’ve...go to their Web site, they have a resource information center and their librarian’s name is Becky and, I don’t know, it’s just great and maybe you can...

...Right, definitely...

And this was something, I was at a regional meeting, and you’re always trying to, ok we have our basic different kind of pots and pools of donors, Major Gift and Direct and all that, and they were talking...this woman was presenting on events, and she does a golf tournament, and she’s so successful with her hospital vendors; and she said “What do you all do with Hospital Vendors?” And light bulbs started to go off with me because we have a lot of construction so I had been having a relationship with the VP of Facilities...Facilities Development because there are a lot of fee contractors coming on board, and I guess I, and I’ll go back after this...I’ll kind of tell you how my role has developed and evolved during my 20 years...but anyway, what I started thinking after that session, the way she described it I knew I was not comfortable with the way that they were using their money and counting soft money and getting these gifts for this golf tournament and I said I can’t bring that back and I don’t want to bring back and use it at but, I had never sat down with our VP of Support Services. So as soon as I got back...and under Support Services is purchasing... so I went first and I talked to, the gentleman’s name is Grant Walker, and I told him I had come back and I had heard this and I said “Grant, we need to partner more”, I said “We do a direct mail piece to what we call “Business Partners”, but it’s usually...if I own a small company and I’m a patient, I may send a check in for my “Mom & Pop Shop” rather than me personally.

Right.

And I said “I think we’re missing the boat”, I said “we need to develop something with a partnership with our vendors and would you feel comfortable asking Don to send me lists of...in the past year or eighteen months...who we...spent money with?”

Okay

And I said “and then, and, of course, and confidentially, I will review that list, but I’m going to sort it and look at who we spend the most with down to the least.”

Right.

And I said “ for the ones that we spend the least with...we realized when I did get the list...he was totally supportive and he said “Not only do I...will I tell Don”, he said “but if you’re going to do some direct mail piece, I will sign the letter” he said “because there is...it’s this partnership that I feel, without the vendors, there’d be no hospital, without the hospital, there’d be no need for vendors. So this is a partnership; it’s a win-win, we need each other.”

Right.

Okay, so we take that and how we tweaked it and developed it. On the low end of the list is usually not a contact name and we feel strongly you don’t send a “Dear Friend” letter.

Right.

So, we developed a letter from our records manager and our envelope said “Department of Philanthropy”, but the letter was all focused that is was...“We’re trying to update our records and we needed to know the appropriate contact person and whether this be someone in Human Resources, in your Marketing Department, or whatever, whatever and if they could please fill out the bottom form and fax it in.” And it’s very simple, but we needed a contact name. And that’s how we got around it if we got a contact name.

Huh, good.

So we could send the direct mail letter and in the letter...and our staff wrote it, but it was approved and blessed by Grant before it was mailed. It talked about this partnership and that they’ve been a business partner and we’re trying to raise money...and in different years, it was a different focus; when we first started, the first year it was research and then it got a little bit more specific that we were trying to increase the number of Chemo. Suites and, you know, and so Grant would sign the letter.

So we thought that was really good for the low end. But for the...the ones that we spent A LOT of money with, we would sit and I’d just said, you know, “What is it?” And then he said, “We need to make it so that they feel they’re really getting something out of it.” And so I said “Okay, we’re going to have lunch with the CEO.” We started doing this by, I got the list and we segmented it the very first year and I sent it to the VP’s, and said “Below is the general list of vendors that we spend \$500 thousand and above with, is there any money on this list, we’ve got a date on his calendar we’re going to do a Vendor Luncheon and I’m trying to see if we can get a table.” That, you know, and I personalized these...”Dear Nancy, if there are some people who you want...key vendors that you want to have and da d da d da...” Well, it was very successful and I did get people saying, “they’re not on the list of that but I really would like...could we please add these folks or these folks.”

Right.

And I said “Of course, of course, we’re building relationships; we’re stewarding future gifts; we stewarding relationships...you know, we’re cultivating relationships!”

So we had this first event and he kind of gave a State of the Union...we had some display boards up and it was just so well received; we even had, I guess fortunately but unfortunately one of our key vendor’s daughter, four years old who passed away at our facility...

...Oh...

So he wanted to...he got up and he talked and he said “You know it’s good for me and we’re a big vendor, one of the key ones and da d da d da...” he said “but I’ve got to tell you all this story on a personal note”; and he talked and, you know, I was just very teary eyed; but a lot of these men just stepped back and I think saw things from a different perspective.

Right.

That it’s more than just their job and it’s more than just their quota and it’s more than just, you know, sales; that behind all of this their people and their patients and there’s a human side to it; so then they started...and he was nice enough to ask for questions and there was a good dialogue. Well the first year was very successful and what I noticed of it, the VP of Information Systems, of I.S., the luncheon was finished, the question and answer period was over; everybody was getting up saying their goodbyes and the I.S. table...NOBODY MOVED. They were still there talking; and finally the wait staff was coming in and cleaning up because we had, you know, and they were still there, and the VP came up to me afterwards and said “I cannot thank you enough”; he said “every one of these vendors are from out of state and they all come and they all personally meet with me, but I’ve never had them around the table together.”

Oh, that’s great!

He said “This has afforded us, he said, an opportunity that I’ve never had before and he said I can’t thank you enough...and it was again one of these “Megan, (unintelligible)...I thank YOU for telling me the key people and out of this, what we...what has developed...and I mean we’ve had it on campus, we’ve had it at restaurants, we’ve had it at a city business club, kind of like the club that you all have up there in Baton Rouge...and it’s been VERY successful. The last couple of ones, we did do another one where we had a spokesman; we hadn’t had any kind of really tribute things, but what’s come out of this is an unbelievable opportunity where we started packaging for special events...I’m going to take a break and take a sip of water...

(Laughs), oh that’s fine.

And what we’ve with special events; we just (unintelligible) and for these key people, we would sit around...I sat with the Special Event person and we had the list of how much they spend; and truthfully, if you’re in this field and if you want to get in this field, you soon have a sixth sense, it’s just your gut...if we spend this much with them and through kind of no special relationships,

but giving history is that, then the equation is like a, you know, (laughing) an algebra equation... what is x, I mean do we ask for? What is our hope of getting? And we would sit down and strategize and what the ask would be.

Right.

And we would offer that they could give it and they could split it between these three events; they could do different levels and be a kind of a (unintelligible) sponsor and give it all for one event or...it's off the charts; we did a graph at a presentation and when you see how this developed from me just kind of writing letters and doing some phone calls to this packaging with the events, I mean we, at the end of 2009 are bringing in...going to be total gift-in-kind \$700 thousand from this just this packaging and this partnership with these vendors.

Oh my goodness, really? That's amazing!

And what we find is...and, and this is one of the ones when you sit there in a kind of wisdom...I used to call this one I.S. Vendor and ask for a gift because we spent a lot with him and then he came to the luncheon and everybody was happy and I asked for a gift for research and he blew me off...just totally blew me off, just totally was not interested and NOW, with packaging, they have come on board because it's events and it's exciting and it's things he has interest in and he, for the first time we did the packaging, was one of the first checks we got in; so she is running to my office and says "LOOK AT THIS, LEE DA D DA!" And I said, "I DON'T BELIEVE IT... AND HE WOULD GIVE ME NOTHING AND NOW ITS JUST...THIS IS PERFECT...we've found the donor-driven fish."

Right.

We found the answer, that it wasn't just, write a letter, yes we know you're a vendor, thanks for your support (unintelligible); it was more of this; come to a luncheon, get to talk with your VP, get to talk with the CEO...now you get a packaging letter and a follow-up call and it's...it's won.

Right.

I mean, it's working.

That's fantastic!

It's totally working. And when, you know, and again it's imitation is the sincerest form of flattery...we've got people who...they've wanted us to do this for the national deal as a teleconference and as a webinar because in our region I mean we had some dear friends in a hospital in Huntsville and they were saying, you know, "We too are not getting really anywhere and then we tried this and they do a breakfast with the CEO and she...the first year she did it she said "It's very time consuming for me and...but I learned that if I just sent the letter in the easy way, I was getting minimal response. But if I spent the time and made it more personal and put it



as to what's in it for them kind of thing...give them something that's important to them, I'm reaping the rewards and the hospital's getting the money."

Right.

And that makes me feel good.

Right, of course!

I mean because I know it's something I kind of I gave birth to it and now other staff are taking it over and ...through guidance...and it's just grown and I am just so happy.

Yes, that's fantastic!

It's just like it is, it's win-win for everybody.

Definitely!

And yes, so that's a really good part.

That's great!

Yes. Now I'm trying to...I know we talked about the acknowledgement. Is there any other kind of (keys part [?]). You know we do have...we do, do bricks, we have bricks campaign and it's okay, but we really feel...and I feel like this after all these years...the more you can be a little bit unique with something, the more successful it will be...and the enthusiasm of your staff.

Right.

I mean I just can't say enough about that and a little bit about that...when I started here 20 years ago, I came onboard...it was funny because my title was kind of Donor Relations and Special Events and it was not only a Special Event to raise money but special events for thanking donors; you know, we had receptions for these society donors and those kind of events, if you will, and do we do recognition and that was kind of I, you know, evolved to be the recognition point person within our department...and I'll tell you a little bit about some of those just (unintelligible) how we worked that...And then I was here about two years and became this Director and Management role and have been here a long time doing that.

Right.

And really good. And the funniest thing about recognition, and we learned this, when you give a gift and say "Now you know I'm not...recognition...I don't need any recognition."

WRONG! That person wants recognition!

(Laughing) Right, right.

YES! I mean it's unbelievable! Because then they're almost like they're...because usually, if you really don't want recognition, you're just going to send in a check and just kind of say "Please make this anonymous." (Unintelligible), it is, you don't even use the recognition word. So whenever we hear that, it's kind of like, okay, start playing the game and I'd say "But Megan, your gift means so much and we really, really want to recognize it. There are a couple of things we can do. Do you think, what about if we did A or B and I describe this and you know..." and then all of a sudden I can see, (unintelligible), you're processing it; you'd say "well, well maybe if you went this route; or maybe, what about B? Tell me a little bit more about B." And it's there, they, you know, they're thinking and they're trying to be humble and modest and all of that, but they really want it.

Right, right.

So it's cute; it's just...it's the study...and that's...what philanthropy is; but it's the study of mankind; the study of humankind and it really is people.

It's relationships, it's people and you get to get this sixth sense, like they say; and it's your gut and you say "Okay, shall I mention that?"

And so we have...it took us a long time to do anything for recognition on an...it wasn't until the 50<sup>th</sup> Anniversary back in 1995 that the then VP, who has retired, he's been gone a couple of years now, posed it to the leadership to say we really need to do some recognition; and we stared with a wall that was more a tribute to the lay leaders and medical staff who got the place going for the first 50 years and we have a permanent...that display is in the hallway on the way towards the hospital elevators and there's no adding names or anything; it just makes a historical statement...it talks about our relationship with Latin America and kind of our grass roots and everybody's listed on that. But then we have...what we've done is our annual wall if you will and we have it done, not with plaques that you take off and on...it's, I think unique...one of them has transparencies that can be printed on and updated and the other one has like parchment paper...two are with transparencies. And the way we divided it...there are also big areas that we can put photographs...so one is the business part in the wall and there is a statement in it that says like "During the previous years, the donors here have given cash or in-kind of \$1 hundred or above to support the Mission." And then we list all the companies in alphabetical order and we kind of break it up...they're like different boxes, they're rectangular, and we may have donors in some and then a photograph and you know, on the asides and all that. And so...and, and the photographs are the photographs of the companies. We either have head guys with logos or we have of all the working crew in their t-shirts and you know, some kneeling down and standing up and it makes it because it can; it's that relationship people can see this company gave and look at all the workers there.

Right.

Now that's the Business Partner Wall and we...as we get that updated, we usually run the list in February and by the time the names and all are updated we try to have it in place in May; but that's kind of our guideline and it started in that way because of, we did a Founder's Week, May 4<sup>th</sup>, and during this Founder's Week we would, you know, unveil the new names and all and have a reception and then have this luncheon then and have all of that. But our new VP has changed that. He's not into having all these functions all in one week all at that time. So anyway, we still have the wall and the recognition and these guys and gals are still invited, the business partners, high-end ones to the CEO luncheon and then to an annual luncheon. So they still get special, you know, attention. The other recognition in the middle is called "The Circle of Friends".

Okay.

And "The Circle of Friends" is what we call...basically our internal family. And we (unintelligible) to them, there is room for a couple of pictures there, and we break it down in grouping...Employees, Nursing Staff, Medical Staff, Management, and Retired Staff. And anybody who has donated the previous years. Now, for the employees, even if you give a dollar, you're listed because they're people in, you know, environmental services and dietary that, they can't give a lot, so we don't want them to feel that their dollar is insignificant and not meaningful.

Right.

Because to them, a lot of them, it's important; you know, a little dollar here maybe or two dollars there or five dollars is a significant amount.

Right.

And they want to feel that they're participating; so every employee is listed in the "Circle of Friends".

And we do, do employee breakfasts for those who give; and we're now doing that since we're large and have different campuses, we do employee breakfasts at the specific...at a campus so that...they all can't come, there will be an employee breakfast there for the employees who work at the hospital and then Amy will coordinate whether it's donuts and juice or something at the clinics so that...it's, it's again, you've got to say thank you; you've got to cultivate the relationship; you've got to let people know that they're important.

Right.

Because...and part of our message with the employees is that...when we're out in the community asking for gifts or when we are writing proposals, often times they ask "What's the percentage of participation of your employees?"

Huh, interesting.

And so, it's not like "How much do they give?" They're very into what's the percent of participation. Because if one hundred percent of your board doesn't give or if, you know, only ten percent of your employees give, that's a message; and that's a message we don't want to send. So we try very hard to encourage gifts...every gift is important, just please give.

Right.

So, now...then we have another recognition wall which is what we basically...is our annual wall.

Okay.

That if you're not a business and you're not one of those employees, then you're listed on. And this, of course, is one of our largest walls and this wall is squares...one's a rectangle; one's a circle and this one's square.

Okay.

And so we do...and it's got a nice statement plaque and um...in brass and oh, and we have room for pictures and we can...what's nice about using the transparency, or even parchment paper, you can adjust the size of the font. You want to make sure that the font is legible, but if you...if it's years when you don't have a lot of donors, you can increase the size and still have pictures and the wall is full.

So that's kind of a trick that we have come with and that's important.

So those are kind of our donor walls.

We also have an endowment "monument" I call it, but it's in the stairwell in the stair garden, underneath this kind of atrium area by the surgery waiting; and anyone who's given an endowment, it's a beautiful grass area that is lighted and so you see it at night with...it's just, it's really pretty...and with a wonderful statement messages etched in it and some leaves and vines and kind of, you know, down the side of it; and then, depending on the size of the donor's gift, the names are etched in the glass.

Okay.

And so that is for the Endowed Gifts; and, of course, if you've made your gift, you can be on multiple places, you know.

Right.

Because the Benefactor Wall that we already talked about with the \$25 thousand, \$50 thousand and above.

Right.

And then we do have what we call our “Heritage Society Wall”; that’s our planned giving recognition and we do have Heritage Society.

Okay.

And for those people, I mean, and whether it’s...you say that...whom you’ve left us in the will and we ask for a copy of that and we know that, I mean, anybody can change their Will.

Right.

But we feel if we put your name on, with a brass plaque, and we honor you and invite you to a reception, odds are you’re going to feel real uncomfortable, you know, changing your Will and saying I don’t want to give it to you.

And then people who have gift annuities, you know, if somebody does a \$10 thousand gift annuity, they’re not going to be listed, they might be if they give it in a certain year they’ll also be listed on the annual wall, but if I give a \$25 thousand gift annuity, I would be...I’d get a plaque on the benefactor wall, I’d be on the heritage wall and I’d also, if I gave and paid it all in a year, I’d be on the annual wall. So you know, it takes a lot of using your donor record systems.

Right, exactly.

To make sure that everybody is listed in the right place and then, of course, that your name and... and for some of these plaques, we do, do a personal letter and saying, and we give them a choice that this is how your name would be listed according to our records and is this...would you please and then we insert something that they can mail back to us to check off.

Right.

Because...do we want it “Mr. and Mrs. John Smith” or do we want it “Susan and John Smith”?

Right.

And so we give the donor the opportunity to list it as they want it. And sometimes they come back and say, “Could you please put it the Smith Family...The John Smith Family.”

Right.

Because whether they want to teach their children at an early age about giving and they want, you know, their support and realize what it’s all...so we feel that’s important; you’ve got to let the donor have some input; you can’t assume...and it’s kind of like a basic, and Megan I’m sure

you've learned this, if you don't ask somebody for a gift, how do you know they're not going to give it?

Right.

And often times we, and sometimes we catch ourselves, we're reluctant to ask because we're like saying "Oh, they really don't have any money and they're really not (unintelligible)" and that is so wrong because we have done, I mean, you know all the research and we had over...I'll never forget, (unintelligible), our very first Plan Giving Officer, and she was...we were starting from scratch and...oh my goodness...this was, I don't know, 19...oh it was a long time ago (laughter); because they started pulling some lists and found a pattern that if a direct mail donor was, usually a single woman, not married and no family and gave, could be as much as 20 dollars or 25 dollars consecutively for ten years or more, they were the perfect plan giving prospect.

Oh, that's interesting.

And chances are there was money there after they died.

Right.

And so we used to do a wonderful job of nurturing those relationships because those people... and whether you ask them "Would you endow your annual gift or let me tell you...and what's so wonderful about people when...and what happens when you call them to thank them for the gift is you kind of say "How did you get connected with us?"

Right. And then you ask one simple question; you will hear everything about that person.

Right.

And that is so important because what you need to do is listen.

I had the privilege of going...there is a plan giving vendor who was starting a wonderful program years ago of training. And although my responsibilities at the time were not planned giving, at all, and I'm not, I mean, I have generic knowledge, but I'm not the technical guru of it, I was invited to come to their kick off of this session. It was a two or three-day session, we went to St. Louis, and we wanted to know how it was all going to work. And what we did was we all had role playing to do...and at that time most of the planned giving officers were men, not women...and we had our roles given to us and then they did filming of us and then they showed the film and it was kind of...I mean, it was brutal, we had, you know, constructive criticism.

Right.

And what was so interesting, and this is a trait that...I mention it sometime to my colleagues, right now we are mostly a staff of women, so it doesn't work, but the men, this was the

conclusion of that final session, when we had that two hour session for some learning points; men like to talk about the technical aspects of the gift...

...Right...

...And they're driven about the trust, they're driven about this, they're showing they're running the different calculations and all focused in on "What does the donor want to get out of it.

Whereas the woman asks one or two open ended questions, and sits back and listens and makes total mental notes about the grandchild who is struggling...

...Right...

...And the scare that they had because they thought the child had this or that and then you process it and you know what your hospital has or what program they're trying to do, like we're trying to do our "Reach Out and Read"; and this grandchild is, you know, been struggling so in school and then you kind of say...you know, and you find where's the match? Where is it? And all...what you really do, and in this industry is a listening; it's a people and a relationship but you've got to be able to listen.

Right.

Because you learn so much from listening. And, I mean, we're all intelligent people and we all can, you put the pieces of the puzzle together and all you need to do is if you listen to what the donor is saying and you have the other pieces of the puzzle that you know your facility can provide and you start putting the pieces together and you form the complete puzzle.

Right.

And so it's been something that it's a rare entity to find, and I know I'm being kind of judgmental, but I've found this in my twenty years and we have, in the past, have had someone on staff, a gentleman on staff, who has now moved to Texas, who possessed all those qualities that he really listened and he really cared and he wasn't so driven on getting the gift and the technical aspect of it. But the real successful folks have to listen.

That's really interesting.

Yes, yes it was. It was something that you know it but you don't think about it Megan.

Right.

You know, it's obvious, but you don't and that's why...why is it? Because it's just differences... its Mars and Venus and I guess that's another aspect you could do more research on.

Right, I know, it's very interesting.

Now, the other thing that's so interesting...and how much research have you done on things on generational giving?

No I haven't.

Oh gosh, this is another thing that I love...now tell me if this is too much time or if this is not...

Oh no, you're...I mean, I'm very interested in everything you're saying as long as you're okay on time.

Okay. Judith Nichols is first woman who started writing books on generational targeted...it...I call it generational targeted marketing, but it's really generational philanthropy.

Okay.

And there's, oh gosh, there's this Economist (?) guide, let's see, Economists (?) in Canada. Oh we went to the conference in Toronto and he spoke and he's got a short last name...ohhh, it was so many years ago and he's written a book. I guess if we googled, we could find it.

Yes.

He was just...what he was saying was just awesome, unbelievable, but okay, I started, I was first introduced to her concept of, and I'll be real brief on this, it's kind of like, if I wrote a letter to my parents and talked about research and talked about all the importance of Aids research, they could not relate; if I wrote a letter to my parents and talked about research and the importance of research and the importance of research in polio and look what research did with the iron lung and look with this...my parents could relate.

Right.

So, what you have to step back...and there are some guidelines; certain generations are interested in institutions, certain generations are interested in themselves, certain generations that is...you know, Generation Y, X, Z.

Right.

You know, the boomers; there are characteristics of each generation; and you take these basic characteristics and then you develop your plan...actually your letter writing, your direct mail all based on these targeted traits.

Interesting.



I have...I had a friend, well she's still my friend (laughs)...she was working in Washington and doing some work on Senior Traits for Congress and she was writing a paper of that. And so we...I started telling her about this woman, Judith Nichols, and what I had read and I was so intrigued. And she started get (unintelligible) and telling me some traits that she had been learning from her research.

So I went to my VP and I said "I have a proposition to make, what if we do something wild this year for direct mail and what if we get my friend to write a couple of letters and let's do a test... let's just test a couple of things and do it?" Well, we did it and it worked.

HUH!

It was expensive to do though, that's why we had to pull away from it. But, from her standpoint, she was introduced to something that she now has her own business and her own Web site and she's taking it and she does...she speaks to a lot of industry and how, if you want to get your message across, who is your targeted market? You know, do you go to women? Do you go to young women? Do you go, you know, and that's what this economist in Toronto was talking about was, was dogs and it was almost like he said "if you put your money in dog food...Purina Dog Chow, and you, you know, you need to target your advertising to this group and to that group, but he was talking to us as all fundraisers; and it made so much logical sense.

Right.

And Megan, I mean it's really...if you...you know, I don't know how in your paper and how much time you have, but if you could add and incorporate and have time to do a little bit more research on that...it is wonderful.

And the other aspect that's kind of intertwined with that or was grown out of that is women in philanthropy. And there's been a big movement and there's been training and there's been books written about women in philanthropy.

I know, I was just thinking that as you were talking, yes.

Yes, because, from a healthcare standpoint, certainly in a family, the woman makes the decision of the doctors.

Right.

The hospital and all of that. But for the most part, we don't give women enough credit that women are also decision makers, usually, for making a gift because if you go to a man and ask for a million dollar gift because we're going to name this building, nine out of ten times the guy is going to say "I need to discuss it with my wife.

Right.

So the smart development officer calls and asks for an appointment with the husband AND the wife and don't go to the office you go to the home. And you make the presentation build in with aspects that have the...heartwarming aspects that the woman can relate to and the business aspects that the man relate to; and if you present it in that fashion and you get the woman really to bite into it, you will get your gift.

Hmm.

And the other thing is that you have a market out there of women who are really decision makers but maybe they aren't in the family.

Right.

So what we had started and there was a hospital in Florida that started it and we kind of piggybacked on it and created the counsel...we haven't grown it to the extent that they did, but to join this women's club a minimum gift is \$1 thousand per year. And they have a program and well...I'll tell you how we tweaked it; to join our counsel, it's invitation only but I tell them it's a minimum of \$1 thousand.

Right.

And then what I do is...we tied it in that it's benefiting Women's Health Services; but that's a broad spectrum, whether it's OB, and we just had a speaker from the NICU, or whether it's, you know, Hormone Replacement Therapy or Massage.

Right.

You know, I mean, we talk about all kinds of women's issues. And we've had the doctor's present and they need...they were able to...issues...vote from where they wanted the money to go.

Huh, how neat.

And so the women feel empowered.

Right.

And they love that; and they...and many on this board are married and...I'm trying to think, I think there's only one on the board who is not married...one is a widow...but anyway, they get to feel that they're really involved with something and it's not, you know, we're not...and I think for the most part they're not even asking their husband's advise.

Right.

They're just...they're making the decision and they're doing this.

Right.

And they feel so good about it; and it may be a small piece of equipment that's \$25 or \$30 thousand, that's all, but they're happy, they've done that and they know, and the head of the department tells them how that piece of equipment has impacted care.

Right.

And we've done some...and, and since we've started doing this, we've done a fund for Grand Rounds, so they're able to bring in speakers from are...you know...the tops around the country to educate and then people, it's not just our doctors; I mean other physicians are invited; community physicians are invited to Ground Rounds to hear the speaker.

They've done...we've purchased telemedicine units so that our high-risk expert can be there, they can give guidance to folks, if they have a patient that they're concerned about, a mother who is pregnant and the patient doesn't have to travel to us.

Right.

We've done the purchase simulator so that, because we're a teaching hospital, the pregnant woman and the baby and they can program it that the mother's in labor and all of a sudden, things go south...the mother starts to hemorrhage, this starts happening, it's a breach birth and here the fellows are learning and graded on the mannequin vs. on real patients, which is wonderful.

Right.

So it's really improved our education process; and now this year, there are two pieces of equipment; one, in this day and age, a lot of women are obese and the typical ultrasound cannot go through all the fat tissue to get a clear picture, so there's a...Phillips company has made some enhanced ultrasound equipment and so they're able to purchase that ultrasound equipment; and then there's another type of a scope that they're able...that they purchased that enabled certain tissues and biopsies to be taken that would help women; and now they're already looking to next year to another piece of equipment.

So these "Women in Philanthropy", is another aspect that's important.

Yes, definitely!

Okay, have I talked enough?

No, this, this is great, this is wonderful, yes.

I guess I just have a few more questions, kind of more general question about some of your communication tactics, like: Do you all use a newsletter to communicate with donors?

We don't, we have in the past, we aren't currently, but yes we have.

Okay. And then about annual reports, kind of, do you all do those and do you send them to donors or only donors of a certain level?

The institution does do an annual report and we do...now what we do, do, we also send our newsletter...we have inserts in the Times Picayune...

...Okay...

...So I take you back, it's not produced by our office, it's produced by marketing and we usually have some article or they'll feature at least one thing on philanthropy...we could contribute something and we do provide our list of our donors in that piece that's sent to them.

And when you list donors kind of in that publication, are they listed by giving level?

Okay, we don't list them in the current publications; when we did list them, we listed them by giving level.

Oh, okay, gotcha.

Because that's the kind of traditional way of doing it. And when we did, you know the annual support...they're debating whether there would be just a total um...what do you call it? Just like an insert that you could pull out if the donors wanted to keep that and they jury's still out whether we're going to do that for next year, you know, for the 2009 annual report, how that's going to be structured.

Right. Okay. And then I guess, let me see, do you all do any other kind of reporting, like a stewardship report or annual letter to kind of report on the work that the organization has achieved due to the gift of the donor...things like that?

We have...we had done that, absolutely, in the past. We have not done that with our new VP, but absolutely we would do it; and Megan, we would do a pie chart.

Okay, right.

Which was wonderful because we, you know, there was a message from our CEO and it was kind of thanking them for their past gifts and then we did a breakdown of how much went to Education Research and Patient Care and then we would do some, you know, a little bit more

extensive kind of a story or something about it, but no, absolutely, that we did that...that's important...it's important.

And then, do you all use any types of newer technology as far as email, Facebook, things like that to build relationships?

We have not, for philanthropy we have not used Facebook and Twitter. We had one conversation about it, and I don't know what. You know, I could shoot you an email if after November 30<sup>th</sup> if we go into that...I mean December 30<sup>th</sup> when we have this kind of storm...brainstorming session for next year.

We've tried a little bit with email and we have on our direct mail piece, we offer it if you'd like to get an email newsletter, to fill it out; but you know what's amazing how many people don't give us their email address.

I know, I've kind of heard that from other people.

Yes.

Yes. And I think it's maybe a fear of people receiving, you know, they don't want to receive junk mail kind of type thing...they're afraid to give it out.

Right, and you know something, there was a company that wanted to partner with something for us so they were going to give us this "free" opportunity to do this solicitation by email and it was not successful.

Right.

Yes, I don't know, because some markets are really good with it, but I don't know whether it's a Louisiana thing?

Right.

I mean we have donors from around the Country.

Right.

The other thing, and this was...I think it's all going to catch up... the average age of our donor; we don't have a young donor base.

Right.

Okay. It's different I think with the university where you have your Alum's and you've got, you know, a nice (unintelligible) base.

Right, you can tap into that. But in healthcare, we're kind of older.

Right.

For our donor base. So at some point, you know, the young khaki's of today are going to grow, and get older, (laughter) but you're going to have to wait a while, and it's going to be the norm. I mean you have no idea; the people will talk about their parents not even bothering or not wanting...they don't want to even order something online.

Right, oh exactly, yes.

You know, my kids are proud of me that I do that now, but it was funny that my parents would never do this.

No, right.

No, no, and so it's kind of a rare bird if you would find somebody in their 70's and 80's who are going to do all that stuff; and so, you know, a lot of our donor's are 65 and above.

Right.

So that hasn't...we've tried a few things, but I have to say it hasn't been successful.

Right.

And that's understandable.

Let me see what else I had on my list of questions...just as far as kind of like a formalized structure for stewardship; do you all have kind of a written plan that outlines the stewardship procedures...you know, kind of the...everybody has a copy of that says when to send out the thank you letters and that type of thing?

That's...we have a process in "Gift Processing". That is something, gift acknowledgement, there's definitely, she has her little manuals and she trains staff and what's expected and the different cards and we have a different process...a letter goes for regulars but if I make a Tribute Gift, you know that's in memory or honor of someone, we have a card and not a letter goes out.

Right, okay.

It's that kind of thing...

...Protocol for that?

...Various dimensions within that acknowledgement, yes.

Okay and then kind of just overall, would you say that the level of stewardship reflects the giving amount that the level of donor's giving...the more they give the more stewarding they receive kind of thing or is it just kind of case by case?

You know, I guess...I guess the high-end donors definitely do; but I think between our luncheons, our wall, our thank-you calls, you know, our call system, I think we try hard Megan, not to make a low-end donor feel they're not important.

Right.

We really tune into that. So I wouldn't say that only the high-end get stewardship, no. And I mean, with this card, I mean somebody could have given a

\$50.00 gift certificate and they got the thank you card sent, so no.

Okay, great.

No, no, we...no that's, that's not...I would not say that only the high-end get it.

Okay, great.

Let's see, oh, let me see; did we...I don't know that we talked about this or not; is there any way that you access the donor's needs or their thoughts on stewardship through like surveys or personal feedback? Did we talk about that?

We did a donor survey a few years ago; we haven't done one recently, but periodically...we not only did a written survey but we did a...we had a focus group; we paid to have a focus group put together.

Oh, okay.

Because it's always good, you know, you don't do those all the time.

Right, it would be too time consuming to do all the time...or necessary.

Right, time consuming and expensive, but we try...and then some of our dear friends or close donors; you know, we might just kind of say "what do you think about this?"

Right.

But we did when we...for our society appeal which was kind of our only...it wasn't a specific appeal, it was kind of broader that the money...oh, and I'm trying to and I can't think right now, my mind has gone blank of what it was...of what the right terminology...but anyway, they used

to get a gift and we would survey them and we said “Would you rather...would you want to get the gift or not?” and I mean, it was like 90% said keep your money I don’t want the gift.

Right.

I’m not giving...I’m not donating in order...

...to get a gift...right.

So it was...it was...that’s it, unrestricted...society is unrestricted...society is unrestricted money.

Okay.

But it was, you know, people don’t want it...and we’ve, like I said we stopped giving for society, we stopped giving the little token toolbox or the little annual direct meal gift, we’ve stopped it all. And people want to make sure that...and I mean we’re unique, a lot of not for profits, I mean and United Way; a portion of your gift to United Way goes to operating costs. We don’t do that. I mean, we’re certainly not for profit, but the foundation pays our salaries and pays all of our operating expenses. So 100% of your gift goes to the specific cause.

Right.

So it’s not fair to either the donor or the institution, to the foundation to increase our operating expense to give out more, you know, tribute gifts.

Okay.

We do give something for the high-end and the...the white lab coat and that sort of thing...

Right, right, right.

But, you know, that’s when you’re really giving a significant amount of money.

Right.

What are some of the challenges you faced in trying to implement stewardship in to the overall fund-raising process?

Hardest thing is to report to donors to endowed funds during tough economic times and they see how the market hit effected their gift...no growth, just a loss.

Of the elements of stewardship (reciprocity, reporting, responsible gift use, relationship nurturing) which do you feel is most important, if any particular one? Did you feel you practiced one of them more than others?



That's a question like what came first the chicken or the egg? Without a good solid established relationship the donor will not make a gift and one will not have to worry about the other elements in my opinion.

Have you seen an increased importance in stewardship with the current economic decline?

I don't feel the economic decline plays as much a role as the sophistication of donors. Today, donors are more savvy and intelligent and expect the not-for-profit to have a stewardship program ; to thank them and stay in touch.

Okay, well I think you've covered all the questions I had for you. This was just wonderful, I have like...you were just a great wealth of information for me (laughing)

That's good! I'm so glad. As you're putting this together, you know, give me a call if you have another question and I don't know...what is your time frame Megan?

I'm hoping to finish completely compiling it by beginning of March so it's kind of a long time frame, but I'll get there.

All right, if you've got...let me give you two other...let me give you my home number and my home email that in case you have a question or as you're trying to compile it or you just wanted, you know, another paragraph and if I'm not available here, please feel free to call me at home.

Great! Well thank you so much!

You're welcome. Good luck; Happy Holidays!

You too!

**Interview with Carolyn Chassee – Mary Bird Perkins Cancer Center  
(In person interview, January 29, 2010)**

How do you define stewardship or how do you define it within the development office at MBP?

To me stewardship is caring for the donor and for the donor's gift and ensuring that gift is utilized in our favor according to the wishes of the donor. And to thank and involve the donor in such a way, that they want to give again because they know it is a great investment. It is really caring for the donor and the gift.

The literature I use breaks stewardship down into four areas reciprocity, responsible gift use, reporting, relationship nurturing.

I think reporting back to the donor and relationship nurturing are the most important as far as securing future investments. Because if you don't report back to the donor, they don't know how their gift is utilized. Nurturing the donor is important to the next step in the process, which is solicitation if that is warranted.

Do you feel you are stronger in one area over the other?

I think we are really strong in reporting. If we were appropriately staffed we could nurture more. I think we do a good job of showing the return on investment. I wish we could do more than writing letters and emails and more face to face. Hopefully that will be an opportunity in the not too distant future.

How do you allocate money in the budget to stewardship?

I don't think we look to a dollar amount; we look to the activities that we want to accomplish and budget accordingly. So, I look at what we want to do and determine the budget to get it done.

Do you feel the budget is adequate to accomplish your activities?

Well, staffing is an issue due to budget. But you know I think we are very close to securing that [stewardship] position again, and without that attention, it doesn't receive its desired result.

Do you feel the level of the gift determines the amount of stewardship someone receives?

Yes...I mean, yes. We are limited to our space, I would love to have volunteers come in and help write letters, but we also don't have the staff to supervise that. So we have to prioritize.

Do you see an increased importance in stewardship since the economic decline?

I do, but I think smaller organizations end up decreasing the budget or increasing the focus, because the focus is going to be more and more on raising the gift. If you are pressured to get the gift, then the cycle is shortened. I think we spend more time prospecting than thanking.

So if you had to say a major challenge or limitation?

I would say staffing or budget. That was very thought provoking, because you can thank a donor, see, them, visit them, then ask - do you have any friends or colleagues that would be interested. We don't do that enough. Because you know the old adage, if you ask for money you get advice, if you ask for advice you get money.

## VITA

Megan Lee Moses was born in Lake Charles, Louisiana, to Philip and Mary Ann Moses. She received her bachelor's degree from the Manship School of Mass Communication at Louisiana State University in 2006. Upon graduation, Moses earned a job as an event coordinator at the University of Texas Southwestern Medical Center, where she worked to plan donor events and foster relationships between the organization and its donors. She worked in this position for two years and gained an interest in development work and donor relations.

In 2008, Moses returned to Baton Rouge, Louisiana, to pursue a graduate degree in mass communication at LSU, focusing on public relations. With this thesis, she completes her graduate work and will move on to work as the development services manager at Mary Bird Perkins Cancer Center, where she will implement the stewardship plan stated in this document.